

DAILY REPORT

People's Republic of China

Vol I No 15

23 January 1978

INTERNATIONAL AFFAIRS

UNITED STATES

President Carter Comments on U.S. Foreign Policy, Economy	A 1	1/A6
U.S. Foreign Policy	A 1	1/A6
Economic Report	A 2	1/A7
President Carter Accuses Soviets of Involvement in Horn [PEOPLE'S DAILY 20 Jan]	A 3	1/A8
Ulanfu Meets Chicago Bank Director 21 Jan	A 3	1/A8

SOUTHEAST ASIA & PACIFIC

Teng Ying-chao Concludes Visit to Cambodia	A 4	1/A9
Departs Phnom Penh for Siem Reap	A 4	1/A9
Departs Siem Reap for Home	A 4	1/A9
Arrives Peking 21 Jan	A 5	1/A10
PRC, Laos Sign Two Protocols in Vientiane	A 6	1/A11

EUROPE

Further Reportage on French Premier's Visit	A 6	1/A11
Attends Peking Opera	A 6	1/A11
Holds Talks With Teng Hsiao-ping	A 7	1/A12
APP Comments on Talks	A 7	1/A12
Scientific Agreement Signed	A 8	1/A13
APP Details Agreement	A 9	1/A14
Teng, Barre on Agreement	A 9	1/A14
Stresses French-PRC Cooperation [Paris]	A 10	1/A14
Meets Hua Kue-feng	A 10	1/B1
Holds Press Conference	A 11	1/B2
Hosts Reciprocal Peking Banquet	A 11	1/B2
Meets Teng Ying-chao	A 13	1/B4
Teng Comments on 'Vietnamese Aggression' [APP]	A 14	1/B5
Departs for Liaoning	A 14	1/B5
Talks With PRC Leaders Reviewed [Paris]	A 14	1/B5

MIDDLE EAST & AFRICA

Egyptian-Israeli Peace Talks Suspended	A 15	1/B6
Soviet Carrier Conducts Exercises Near Egypt	A 16	1/B7

WESTERN HEMISPHERE

Canadian Defense College Group Feted by PLA	A 16	1/B7
Gives Reciprocal Banquet	A 17	1/B8
Canadian Defense Officials Criticize Soviet Expansion	A 17	1/B8

Leader of Cuban Trade Delegation Departs Peking
Ambassador to Venezuela Ends Tenure, Departs for Home

A 18 1/B9
A 18 1/B9

NATIONAL AFFAIRS

National Defense Scientific Commission Stresses Modernization
PEOPLE'S DAILY Refutes Gang's Attack on Historical Materialism [17 Jan]
Ministry of Education Issues Principles for Enrolling Students
PEOPLE'S DAILY Commentary [20 Jan]
National Coal Industry Conference Opens 22 January
Hsiao Han Writes in RED FLAG on Coal Industry Mechanization [No 1]
KYODO: Chi Teng-kuei Says High-Speed Railway Planned
Peng Chung Presides Over Shanghai Conference on Snail Fever
KWANGMING DAILY Calls for Progress in Health Work [7 Jan]
PEOPLE'S DAILY Acclaims Tientsin Port's Success [10 Jan]
PEOPLE'S DAILY Stresses Tapping Potentials [6 Jan]
Correction to LIBERATION ARMY DAILY Criticism of 'leftists'

E 1 1/B10
E 6 1/C1
E 8 1/C3
E 9 1/C4
E 10 1/C5
E 11 1/C6
E 12 1/C7
E 13 1/C8
E 14 1/C9
E 15 1/C10
E 16 1/C11
E 16 1/C11

EAST REGION

County in Anhwei Criticizes Gang's Local Follower
Literature-Art Situation in Kiangsi Discussed at Forum
Previously Banned Kun Chu Opera Performed in Nanking
Su Chen-hua Presides at Shanghai Revolutionary Committee Plenum

G 1 1/C12
G 3 1/C14
G 3 1/C14
G 4 1/D1

CENTRAL-SOUTH REGION

Hupeh Holds Army-People Gathering 19 Jan
Hupeh Delegation Arrives in Kwangtung
Kwangtung Promotes Spring Farming Preparations
Kwangtung County Improves Grain Distribution Work
Hainan Island Commune Does Well in Distribution
Hunan Capital Construction Conference Opens
Kwangsi Circular Lists Forestry Tasks

H 1 1/D3
H 1 1/D3
H 3 1/D5
H 4 1/D6
H 5 1/D7
H 5 1/D7
H 6 1/B8

SOUTHWEST REGION

Szechwan Party Leaders Attend Finance-Trade Conference
Conference Cable to Hua
Conference Letter of Proposal
SZECHWAN DAILY Editorial
Yunnan Metallurgical Workers Hail Hua's Inscription
Yunnan Party-Government Comfort Letter to PLA Units
Correction to Report on Yunnan Agricultural Machinery Production
Briefs: Tibet Wheat Strain

J 1 1/D10
J 3 1/D12
J 4 1/D13
J 5 1/D14
J 8 1/E3
J 9 1/E4
J 10 1/E5
J 10 1/E5

NORTH REGION

Hopei Revolutionary Committee, CPPCC Standing Committee Meet
Revolutionary Committee Plenum
CPPCC Standing Committee
Inner Mongolia Military Issues Circular on Unity
Inner Mongolia 'Taiwan Compatriots' Hold Forum
Shansi Paper Commends Coal Mine's Achievements

K 1 1/E6
K 1 1/E6
K 2 1/E7
K 2 1/E7
K 3 1/E8
K 4 1/E9

I. 23 Jan 78

3

PEOPLE'S REPUBLIC OF CHINA

NORTHEAST REGION

Heilungkiang Meeting Hails Hua's Metallurgical Inscription
Liaoning Event Held To Present Hua Inscriptions

L 1 1/E10
L 2 1/E11

NORTHWEST REGION

Tan Chi-lung Addresses Tsinghai Conference on Agriculture
Shensi Commune Supports Work of Teachers

M 1 1/E12
M 3 1/E14

HONG KONG COMMUNIST PRESS

TA KUNG PAO Analyzes Carter's State of Union Message [20 Jan]
HSIN WAN PAO on Possible Second Peking Visit by Vance [18 Jan]
Papers Stress Neutrality in Cambodia-Vietnam Conflict
HSIN WAN PAO 20 Jan Column
WEN HUI PO 20 Jan Column

N 1 1/F1
N 1 1/F1
N 2 1/F2
N 2 1/F2
N 3 1/F3

FEB 7 1978

Ia 852-B-7

TrEx 7.10 FBIS-CHI-78-15

FBIS-CHI-78-15
Monday
23 January 1978
Vol I No 15

DAILY REPORT

COMPLETED ORIGINAL



FROM BEST AVAILABLE COPY

PEOPLE'S REPUBLIC OF CHINA

FROM BEST AVAILABLE COPY

Available for Distribution
From NTIS

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

This publication contains current news and commentary monitored by FBIS from foreign broadcasts, news agency transmissions, newspapers, and periodicals. Items are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign-language sources are translated by FBIS. Those from English-language sources are transcribed, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS. Labels such as [Text] or [Excerpts] in the first line of each item indicate how FBIS processed the information from the original. Names rendered phonetically or in transliteration are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clearly heard but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source.

Users of this publication may cite FBIS provided they do so in a manner clearly identifying it as the secondary source. For example: "FBIS reports that Radio Moscow announced . . ." or "FBIS has monitored a broadcast from Hanoi which says . . ."

I. 23 Jan 78

PEOPLE'S REPUBLIC OF CHINA
INTERNATIONAL AFFAIRS

A 1

UNITED STATES

PRESIDENT CARTER COMMENTS ON U.S. FOREIGN POLICY, ECONOMY

U.S. Foreign Policy

OW221244Y Peking NCNA in English 1231 GMT 22 Jan 78 OW

[Text] Peking, January 22, 1978 (HSINHUA)--U.S. President Jimmy Carter has set three major goals for the U.S. foreign policy, states a Washington report. In his State of the Union address to the Congress on Thursday, the U.S. President described the goals as "the security of the United States", "a world at peace", and "world economic growth and stability." Carter declared, "Our first and prime concern is and will remain the security of our country.

"Security is based on our national will and on the strength of our armed forces...security also comes through the strength of our alliances. We have reaffirmed our commitment to the defense of Europe, and this year we will demonstrate that commitment by further modernizing and strengthening our military capabilities there."

On the other hand, the president said, "security can also be enhanced by agreements with potential adversaries which reduce the threat of nuclear disaster while maintaining our own relative strategic capability." He said that the United States was negotiating with the Soviet Union "with careful determination, to ease the tensions between us." "The Strategic Arms Limitation Talks have been difficult and prolonged," he continued. But he trusted that the talks would result in an agreement. "I pledge to you that the agreement will maintain and enhance the stability of the world's strategic balance and the security of the United States," he declared.

On the second major goal, the U.S. President noted that in some parts of the world "major differences among other nations threaten international peace." Referring to the Middle East in his State of the Union message, he said that "the United States will continue this year to encourage all parties to resolve this deep-seated conflict." On the Horn of Africa, he said that arms supplied by the Soviet Union now fuel the conflict there. "There is a danger that the Soviet Union and Cuba will commit their own soldiers in this conflict, transforming it from a local war to a confrontation with broader strategic implications," he stated.

On U.S. defence, Carter recommended to Congress a budget to "fulfill our most pressing defence needs." He requested increases in defence spending that more than compensate for inflation. "They are needed to maintain an adequate military balance in the face of continued Soviet military efforts," he declared. The U.S. President called for efforts to build cruise missiles, upgrade B52s and develop the M-X missile system. He requested funds for continued increase in Trident submarine force and also 18 percent increases in the procurement of equipment for the army. Funds are also requested for the modernization of sea forces.

Economic Report

OW220805Y Peking NCNA in English 0732 GMT 22 Jan 78 OW

[Text] Peking, January 22, 1978 (HSINHUA)--U.S. President Jimmy Carter, in his economic report to the Congress on Friday, said that he was not satisfied with the economic recovery in the United States, according to a Washington report. "The problems we face today are more complex and difficult than those of an earlier era," he declared.

The President's economic report recalls that "the recession of 1974-75 was the worst in 40 years." In spite of the increase in output and employment over the past three years, six and one-half million people actively seeking jobs cannot find work, three and one-fourth million workers take part-time jobs, and one million people have stopped looking for a job because they have lost hope of finding one, the report notes. It continues, "Unemployment among minorities is more than twice as high as that among whites--and unemployment among minority teenagers is tragically high. Women have fewer satisfying job opportunities than men, and older Americans often find their access to the job market blocked. Farm incomes have dropped precipitously."

"Our dependence on imported oil is sapping the strength of the American economy. Last year our imports of oil reached a total of about 45,000 million dollars, compared with 8,500 million dollars in 1973," the report says. "It is a primary factor today behind the large deficit in our international balance of payments."

The huge deficit "has contributed to the fall in the value of the dollar abroad. The dollar's decline has raised the cost of the goods we import and contributed to inflation. Our deficit also has unsettled international monetary markets, with adverse consequences for our international trading partners," the report adds.

During the first two decades of the postwar period, the report notes, "the productivity of American labour increased at an average annual rate of about three percent. Over the past ten years, however, productivity growth has slowed markedly--to about two percent or less a year."

The U.S. President holds that response to the energy crisis is "a central element in our international domestic economic policy." Consequently he urges the congress to adopt his energy bill early this year.

The economic report gives high priority to making "more effective use of limited federal resources." It suggests a 25,000 million dollar programme of net tax reductions to stimulate economic growth so that this year the economy should grow by 4.5 percent and unemployment would be down to 5.5 to 6 percent. But this calls for a deficit of 62,000 million dollars in 1978, and one only slightly smaller in 1979, the U.S. President notes.

Since 1975, the report recalls, inflation has persisted at a 6 to 6.5 percent rate. "We cannot achieve full prosperity unless we deal effectively with inflation," it says, but worries that "since the current inflation has developed strong momentum, it cannot be brought to a sudden halt."

The report suggests a programme to control price spirals and budgetary spendings and urges the business community and workers to participate in a "voluntary" programme to decelerate the rate of price and wage increase.

I. 25 Jan 78

A 3

PRC
INTERNATIONAL AFFAIRS

"The economic difficulties that we face in the United States also confront most (industrialised) nations around the world," the report says. "The world economy has seen a hesitant recovery from the deep recession of 1974-75." While urging that the "nations work together to develop mutually beneficial solutions" to their problems, the report notes the fierce competition going on among them. "A keystone of our international economic policy is to work with our trading partners to protect a free and open trading system," it states.

PRESIDENT CARTER ACCUSES SOVIETS OF INVOLVEMENT IN HORN

OW211432Y Peking in Mandarin to Taiwan 0400 GMT 21 Jan 78 OW

[Text] PEOPLE'S DAILY in a 20 January short commentary notes that U.S. President Carter recently accused the Soviet Union of shipping large quantities of weapons and personnel to the Horn of Africa and having caused the war there, and he declared that the United States is concerned about the Soviet involvement in African affairs. This provoked an immediate response from the Soviet Union's TASS news agency. This dispute between the two superpowers reflects a deepening of their overt and covert struggle in the Horn of Africa and, at the same time, exposes the awkward situation which the Soviet Union finds itself devoid of all arguments and having nothing left with which to justify its actions.

The short commentary points out that lately the Soviet Union has taken a more menacing offensive in the contention between the two hegemonic powers in the Horn of Africa. It is clear that Moscow is sowing dissension and stirring up trouble in that area. Particularly, it is stepping up its efforts to send foreigners and Soviet-made weapons there and has opened an air corridor to rush such shipments. This has greatly aggravated the already tense situation in the Horn of Africa.

The short commentary says the criminal acts of Soviet social imperialism in transporting personnel and weapons to the Horn of Africa and doing its utmost to fan the flames of war are an excellent teaching material by negative example. Not long ago a Soviet official babbled in self-glorifying propaganda that the African people deeply realized from their own experience that the source of a dynamic, "motive force for peace" is supplied by Moscow. But what is actually seen today by an increasing number of the African people is that this fully-armed "motive force for peace" from Moscow is pushing the Horn of Africa into a larger war.

ULANFU MEETS CHICAGO BANK DIRECTOR 21 JAN

OW211542Y Peking NCNA in English 1508 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--Ulanfu, vice-chairman of the Standing Committee of the National People's Congress, met and had a friendly conversation with Robert Abboud, chairman of the board of directors of the First National Bank of Chicago, and his party here this morning. Present on the occasion were Chiao Pei-hsin, chairman of the board of directors of the Bank of China, and Lin Chi-hsin, deputy general manager of the bank.

Mr Abboud and his party arrived in Peking on January 18 at the invitation of the Bank of China.

I. 23 Jan 78

A 4

PRC
INTERNATIONAL AFFAIRS

SOUTHEAST ASIA & PACIFIC

TENG YING-CHAO CONCLUDES VISIT TO CAMBODIA

Departs Phnom Penh for Siem Reap

OW201900Y Peking NCNA in English 1846 GMT 20 Jan 78 OW

[Text] Peking, January 20, 1978 (HSINHUA)--Teng Ying-chao, member of the Central Committee of the Chinese Communist Party and vice-chairman of the Standing Committee of the Chinese National People's Congress, concluded her visit in Phnom Penh and left the Cambodian capital this afternoon by special plane for Siem Reap in the northern part of the country, according to a Phnom Penh report. She is accompanied on the trip by Nuon Chea, deputy secretary of the Central Committee of the Communist Party of Cambodia and chairman of the Standing Committee of the People's Congress of Cambodia; Khieu Ponnary and Ieng Thirith. Pol Pot, secretary of the KCP Central Committee and prime minister; and Ieng Sary, member of the Standing Committee of the KCP Central Committee and deputy prime minister accompanied her from the guest house to the airport.

Vice-Chairman Teng Ying-chao was seen off at the airport by Vorn Vet, member of the Standing Committee of the KCP Central Committee and deputy prime minister; Thiounn Thoeunn, minister of health; and Yun Yat, minister of culture and education. She was also seen off at the airport by the diplomatic officials of the Chinese Embassy and representatives of the Chinese engineering personnel and Chinese students in Cambodia.

Chinese Ambassador Sun Hao accompanies Vice-Chairman Teng Ying-chao on her visit to Siem Reap. Han Nien-lung, Shen Ping and Fu Shun-ho of Vice-Chairman Teng Ying-chao's party left Phnom Penh by the same plane.

As the Chinese visitors left the guest house, hundreds of Cambodian youth and children in their holiday best lined the street and waved bouquets to bid them farewell. Cambodian and Chinese flags were flying on top of the airport building. Thousands of people with flowers in their hands shouted slogans to see off the Chinese guests. A Cambodian girl came forward and offered a bouquet to Vice-Chairman Teng Ying-chao.

Before boarding the plane, Vice-Chairman Teng Ying-chao most cordially shook hands with Secretary Pol Pot and Deputy Prime Ministers Ieng Sary and Vorn Vet. At the cabin door of the plane, she waved the bouquet to bid farewell to the Cambodian party and government leaders and people. Accompanied by Deputy Prime Minister Ieng Sary, Khieu Ponnary, Cheng An, Thiounn Thoeunn and Ieng Thirith, Vice-Chairman Teng Ying-chao visited the children's hospital and the capital's first textile mill this morning and was warmly welcomed by the people there.

Departs Siem Reap for Home

OW211540Y Peking NCNA in English 1523 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--Teng Ying-chao, member of the Central Committee of the Chinese Communist Party and vice-chairman of the Standing Committee of the Chinese National People's Congress, left Siem Reap for home by special plane this morning after concluding a successful friendly visit to Democratic Cambodia, according to a report from Siem Reap.

I. 23 Jan 78

A 5

PRC
INTERNATIONAL AFFAIRS

As Vice-Chairman Teng Ying-chao left Phnom Penh for Siem Reap yesterday morning, Pol Pot, secretary of the Central Committee of the Communist Party of Cambodia and prime minister of the Government of Democratic Cambodia, asked Vice-Chairman Teng Ying-chao to convey his cordial regards to Chairman Hua Kuo-feng and Vice-Chairmen Yeh Chien-ying, Teng Hsiao-ping, Li Hsien-nien and Wang Tung-Hsing.

Vice-Chairman Teng Ying-chao paid a visit to Siem Reap accompanied by Nuon Chea, deputy secretary of the KCP Central Committee and chairman of the Permanent Committee of the People's Congress of Cambodia, Khieu Ponnary, chairman of the Women's Association of Democratic Cambodia, and Ieng Thirith, minister of social affairs. Accompanying the vice-chairman on the visit in Siem Reap and seeing her off at the airport were also Kang Chap, secretary of the KCP committee of the northern region and chairman of the Serve-the-People Committee of the region; Sok, deputy secretary of the KCP committee of the northern region and vice-chairman of the Serve-the-People Committee of the region; and others.

Soon after their arrival at Siem Reap yesterday afternoon, the vice-chairman and her entourage visited Angkor Wat in high spirit. In the evening, the KCP committee and the Serve-the-People Committee of the northern region gave a banquet in honour of the vice-chairman.

Speaking at the banquet, Kang Chap said, "Vice-chairman Teng Ying-chao's visit reminds us of the visit made by Premier Chou En-lai, our most intimate comrade-in-arms. Your visit consolidates and promotes the great friendship and militant unity between the people of Cambodia and China."

In reply, Vice-Chairman Teng Ying-chao said, "Despite the short span of our stay, we have learnt a lot from your heroic country." "Cambodia today has experienced earth-shaking changes. A brand-new vigorous scene now prevails everywhere in the country, which stands as firm and solid as towering pine on hill," she said.

This morning, Siem Reap airport was permeated with a warm atmosphere of unity and friendship between the peoples of Cambodia and China. Vice-Chairman Teng Ying-chao was given a warm send-off at the airport by hundreds of people. Before her departure, Vice-Chairman Teng Ying-chao shook hands with and bid farewell to Chairman Nuon Chea and Khieu Ponnary and Ieng Thirith as well as leaders of the northern region. She said: "I am deeply impressed by this visit." Chairman Nuon Chea said: "Your visit constitutes a great encouragement to the Cambodian party and people, bon voyage." Chinese Ambassador to Democratic Cambodia Sun Hao was also present at the airport.

Vice-Chairman Teng Ying-chao's entourage including Han Nien-lung, Shen Ping and Fu Shun-ho left for home by the same plane.

Arrives Peking 21 Jan

OW211528Y Peking NCNA in English 1517 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--Teng Ying-chao, member of the Central Committee of the Communist Party of China and vice-chairman of the Standing Committee of the National People's Congress, returned here by special plane this afternoon after concluding her friendly visit to Democratic Cambodia.

I. 23 Jan 78

A 6

PRC
INTERNATIONAL AFFAIRS

Among those greeting her by the planeside were party and state leaders Li Hsien-nien, Ulanfu and Wu Te as well as Pech Cheang, ambassador of Democratic Cambodia to China, and Yong Yen, counsellor of the Democratic Cambodian Embassy here. When Vice-Chairman Teng Ying-chao alighted from the plane with a broad smile, they warmly applauded and shook hands with her, congratulating her on the complete success of her visit to Democratic Cambodia.

Also present at the airport were leading members of departments concerned, including Chi Peng-fei, Liao Cheng-chih, Kang Ko-ching, Chen Tzu-sheng, Tseng Chih, Wu Ching-tung, Chung Hsi-tung, Wang Hai-jung, Wan Fu-lin and Lin Chia-mei.

Returning here aboard the same plane were Vice-Foreign Minister Han Nien-lung, and Department Director Shen Ping and Deputy Department Director Fu Shun-ho of the Foreign Ministry, who accompanied Vice-Chairman Teng Ying-chao on the visit.

PRC, LAOS SIGN TWO PROTOCOLS IN VIENTIANE

OW211346Y Peking NCNA in English 1215 GMT 21 Jan 78 OW

[Text] Vientiane, January 21, 1978 (HSINHUA)--Two protocols on China's aid to Laos were signed here yesterday. One protocol provides that China will supply complete sets of equipment to Laos.

Hsu Huang, head of the Chinese Government economic delegation, who is the ambassador to the country, and Khambou Soumisai, vice-chairman of the National Planning Commission of Laos, signed on behalf of their respective governments. At the signing ceremony they wished continuous consolidation and development of the friendship between the two peoples.

On the evening of January 19, Chinese Ambassador Hsu Huang gave a banquet for the Chinese delegation. Present were Khamsouk Saighaseng, minister of agriculture, forestry and irrigation, and Vice-Chairman Khambou Soumisai.

EUROPE

FURTHER REPORTAGE ON FRENCH PREMIER'S VISIT

Attends Peking Opera

OW201821Y Peking NCNA in English 1811 GMT 20 Jan 78 OW

[Text] Peking, January 20, 1978 (HSINHUA)--Premier and Mme. Raymond Barre and the other distinguished French guests attended the Peking Opera "Driven To Join the Liangshan Mountain Rebels" presented by the Peking Opera troupe of Peking at the Great Hall of the People here this evening. In a warm meeting with the performers at the end of the opera, Premier Barre praised them for their excellent performance. One of China's fine traditional plays, "Driven To Join the Liangshan Mountain rebels" depicts how people were driven by ruthless political oppression and economic exploitation toward the end of the northern Sung Dynasty (960-1126) to stage an uprising in the Liangshan Mountain.

Among those accompanying Premier and Mme. Barre at the performance were Ku Mu, vice-premier of the State Council; Huang Chen, minister of culture; Ho Ying, vice-foreign minister; and Chia Ting, vice-chairman of the Peking Municipal Revolutionary Committee.

I. 23 Jan 78

A 7

PRC
INTERNATIONAL AFFAIRS

The soiree was arranged by the Peking Municipal Revolutionary Committee on the occasion of Premier Barre's visit to China. Also attending the soiree were French Ambassador to China and Mme. Claude Arnaud and other diplomatic officials of the French Embassy here.

In the company of Wang Yeh-chiu, director of the State Administrative Bureau of Museums and Archaeological Data, Premier and Mme. Barre this afternoon visited the Palace Museum and the Temple of Heaven where they admired the magnificent examples of ancient Chinese architecture.

Holds Talks With Teng Hsiao-Ping

OW210738Y Peking NCNA in English 0721 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--Teng Hsiao-ping, vice-premier of the State Council, and Raymond Barre, premier of the Republic of France, continued their talks here this morning.

AFP Comments on Talks

OW210737Y Hong Kong AFP in English 0502 GMT 21 Jan 78 OW

[By Claude Moisy]

[Text] Peking, Jan 21 (AFP)--For the Chinese the visit of French Prime Minister Raymond Barre has been above all a new opportunity to denounce the threat of "Soviet imperialism" to the world. Yesterday, when Vice-Premier Teng Hsiao-ping, the sprightly 70-year-old who has become China's number two man, met Mr Barre for 2 hours of talks on international affairs, he explained to his French visitor the world situation as seen from Peking and tried to convince him of the folly of the West's policy of detente with the Soviet Union.

A source present at the meeting said Teng Hsiao-ping revealed a global strategy based on the premise that "Soviet greed for power makes a new world war inevitable". China's whole strategy hinges on this. The Chinese feel that the United States, the other super-power capable of counteracting "sinister Soviet plans", has abdicated its responsibility by retreating into a defensive position and encouraging the West in a vain policy of appeasement. China therefore proposes a different strategy which may not avoid war but could delay it and ensure victory.

Teng Hsiao-ping explained this strategy to Mr Barre as follows:

- 1) Everyone must prepare for war. These preparations may make the Soviet Union think twice. This suggestion followed Vice-Premier Teng's recent criticism to visiting United States congressmen of the U.S. military budget seen as too low compared to the Soviet Union's.
- 2) All Soviet plots around the world must be foiled to "destabilize its social-imperialist policy". Here Teng Hsiao-ping congratulated France for intervening in Zaire and disrupting Soviet projects in Africa.
- 3) The West must not be tempted by appeasement policies: Such as disarmament talks or developing trade links with the Soviet Union. Such policies are a swindle as the United States found out a few years ago when wheat it sold the Russians was resold at a profit to other countries. Meanwhile, any loans the West grants the Soviet Union merely aid its arms race.

This strategy explains why the new Chinese leaders are interested in Western Europe, especially the European Economic Community (EEC).

At the traditional welcoming banquet on the evening of the French delegation's arrival in Peking, Teng Hsiao-ping praised the nine EEC countries for their coordinated policies: "Confronted with the threat of superpower expansion and aggression, the existence of an increasingly united and strong Europe is in the interest of the European people."

Mr Teng spoke of superpowers in the plural instead of "superpower" to avoid embarrassing the French prime minister by a diplomatic incident with the Soviet ambassador present at the banquet. During the meeting next day he spoke more bluntly.

Teng Hsiao-ping gave the French another warning. He said it was wrong to think the only danger was a nuclear war between the two superpowers for the Soviet Union was also building up its conventional forces as proved by the considerable boosting of its navy.

In recognition of his French visitors, Teng Hsiao-ping praised the late General Charles de Gaulle saying his policy of national independence should set an example to all the lesser industrialized countries: the Second World of Chairman Mao Tse-tung's theory of the three worlds. However, the French prime minister reiterated his government's support for a policy of detente leading to understanding and cooperation among nations.

Teng Hsiao-ping's briefing gave his listeners the impression China's current strategy was designed as a stop-gap while it carried out its goal of four modernisations in industry, agriculture, science and defence: The mainstay of the new leaders' policy. When China is as strong as the Soviet Union it may be a different story.

Scientific Agreement Signed

0W210603Y Paris AFP in English 0610 GMT 21 Jan 78 0W

[Text] Peking, Jan. 21 (AFP)--China and France today signed an agreement for scientific and technical cooperation, the first of its kind concluded by the Peking Government with any Western country. The framework agreement was signed after a 2-hour meeting this morning between French Prime Minister Raymond Barre and Chinese Vice-Premier Teng Hsiao-ping.

In their speeches at the signing ceremony the two leaders both stressed the importance of the agreement for the relations between the two countries.

Mr Teng said: "Each nation has its strong points and its weak points. This agreement will enable France and China to complement each other and to learn from each other, opening new horizons."

Mr Barre said that the 5-year agreement was of great importance to France and China whose status in the world depended on the quality of their scientific and technical research.

The two sides also signed a 2-year cultural agreement providing for increased exchanges of teachers and students.

Reviewing his second meeting with Mr Teng, which was devoted entirely to Franco-Chinese relations, Mr Barre said that the two countries considered their cooperation should be both "global and long-term." The French prime minister said: "China is a great country and the horizon for our cooperation is not 3 or 5 years but covers several decades. This cooperation must not be limited simply to economic problems but must extend to all fields." Mr Barre stressed that both countries were determined to retain their independence which he described as "a fundamental principle at the basis of our cooperation."

I. 23 Jan 78

A 9

PRC
INTERNATIONAL AFFAIRS

AFP Details Agreement

OW210631Y Hong Kong AFP in English 0625 GMT 21 Jan 78 OW

[Text] Peking, Jan 21 (AFP)--The agreement on scientific and technical cooperation concluded on Saturday between France and the People's Republic of China is designed to serve as a framework for the exchanges between the two countries in many fields over the next 5 years.

Scientific projects to be carried out jointly include: A genetic study on hereditary animal selection; a study on medicinal plants; the study of a programme for a scientific data bank at the Peking Institute of Science, a geological study principally of tungsten resources in the cultural field an initial two-year programme provided for; tripling the number of Chinese teachers and students in France; the teaching of French on Chinese television; an art exhibition comprising 90 paintings by French 19th century artists to be shown in Peking and Shanghai in March; exchanges of television and cinema personnel; visits by sports teams, mainly volleyball and badminton and perhaps football.

Teng, Barre on Agreement

OW211524Y Peking NCNA in English 1510 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--An agreement on science and technology between the Government of the People's Republic of China and the Government of the Republic of France was signed here this morning. Teng Hsiao-ping, vice-premier of the State Council, and Raymond Barre, premier of the Republic of France, attended and addressed the signing ceremony.

Vice-Premier Teng Hsiao-ping said: The signing of the agreement on science and technology between our two governments, which is a positive result of the scientific and technical exchanges between our two countries, will open up new prospects for furthering such exchanges. Vice-Premier Teng said: Each nation has its strong as well as weak points. We stand for promoting exchanges in science, technology and culture with other countries for the purpose of making up for each other's deficiencies through learning from each other. This is in the interest of both sides.

Premier Barre said: The signing of this agreement at a time when we are aware of the excellent relations between our two countries assumes a profound significance. Let us be confident that our research workers will establish an equitable and profitable cooperation. The friendship that brings China and France together will be strengthened.

Chinese Foreign Minister Huang Hua and French Foreign Minister Louis de Guiringaud signed the agreement on behalf of their respective governments. Among those attending the signing ceremony were Chinese Minister of Foreign Trade Li Chiang and French Minister of Foreign Trade Andre Rossi.

Stresses French-PRC Cooperation

ID211024Y Paris Domestic Service in French 0700 GMT 21 Jan 78 ID

[Text] Raymond Barre's visit to China continues under very good conditions. An agreement on scientific-technical cooperation was signed yesterday in Peking at the end of a 2-hour meeting between Teng Hsiao-ping, first deputy premier of China, and the French premier.

This is the first agreement of its kind signed by China with a Western country. Mr Raymond Barre, talking to one of our special correspondents Edouard Sablier, underscored the importance of cooperation between France and China: [begin recording] The first characteristic of our cooperation is that it is multifaceted. It does not merely pertain to economic problems, but covers political, economic, trade, financial, scientific-technical problems and cultural relations. We are willing to cover the widest range of cooperation between our two countries. The second characteristic of our cooperation is that it is a long term endeavor. I did not come here seeking short term advantages. I said this before I came to Peking and I said it again in Peking. I came to examine together with the Chinese government the long term prospects of cooperation between France and China. China is a big country which started vast work in development and modernization. We are considering objectives which are not 3 or 5 years into the future, but several decades away. France is a European country which still possesses wide capabilities of development and could bring privileged cooperation to China in a number of fields. It is indispensable that we, the Chinese and the French governments, examine these prospects of long term cooperation. This is what we have done. [end recording]

Mr Raymond Barre's political talks will end today. The French premier will be received this afternoon by Hua Kuo-feng, chairman of the Communist Party Central Committee and premier of the State Council. Mr Barre will also visit the famous Chinese Great Wall before leaving Peking by train for former Manchuria.

Meets Hua Kuo-feng

OW211516Y Peking NCNA in English 1500 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--Hua Kuo-feng, chairman of the Central Committee of the Communist Party of China and premier of the State Council, met here this afternoon with Raymond Barre, premier of the Republic of France, Mme. Barre and the other distinguished guests accompanying them on the visit.

Chairman Hua and Premier Barre exchanged views on the development of friendly relations between China and France and international issues of common concern. Chairman Hua said: In the past two days, Premier Barre has held talks with Vice-Premier Teng Hsiao-ping, which proceeded very well. I believe that Premier Barre's current visit to China will surely contribute to the furtherance of the friendship of the people of China and France and the friendly cooperation between the two countries in various fields.

Premier Barre conveyed President Valery Giscard d'Estaing's regards to Chairman Hua and delivered a message from the president inviting Chairman Hua to visit France. Chairman Hua expressed thanks for this and accepted President Giscard d'Estaing's invitation with pleasure. Chairman Hua requested Premier Barre, after returning home, to convey his good wishes to President Giscard d'Estaing and expressed the hope that the president will visit China when it is convenient to him.

The meeting proceeded in a friendly atmosphere. Seeing that dozens of French journalists were busy covering and taking shots of the meeting between the leaders of the two countries, Chairman Hua said to Premier Barre: The journalists are also working for the friendship of the Chinese and French peoples.

I. 23 Jan 78

A 11

PRC
INTERNATIONAL AFFAIRS

Then he turned to the French journalists and said:

I hope you will take back to France the Chinese people's friendship for the French people and make contributions in developing the friendship between the two peoples, and I request you, on returning home, to convey our regards to the French people. The French people have a glorious tradition and the French nation is a great nation.

The distinguished French guests present at the conversation were: Louis de Guiringaud, minister of foreign affairs; Andre Rossi, minister of foreign trade; and Claude Arnaud, French ambassador to China.

Present at the meeting and conversation on the Chinese side were: Huang Hua, minister of foreign affairs; Li Chiang, minister of foreign trade; Liu Chen-hua and Sung Chih-kuang, vice-minister and assistant minister of foreign affairs; and Han Ko-hua, Chinese ambassador to France. Chiang Nan-hsiang, vice-minister of the Scientific and Technological Commission, and Li Chang, leading member of the Chinese Academy of Sciences, were present at the meeting.

Holds Press Conference

OW212002Y Peking NCNA in English 1953 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--French Premier Raymond Barre gave a press conference here this evening. Addressing the conference, the French premier said that both France and China are concerned about their own independence and wish to further their relations. "We have good reasons to believe that the cooperation between France and China can be developed," he noted. Premier Barre said that he was impressed by the efforts of the Chinese people to modernize agriculture, industry, science and technology, and national defence. He also expressed satisfaction with the achievement of his current visit to China.

Answering questions raised at the press conference, the premier said: "Peace cannot be maintained when a country is weak. This is the reason why France, while pursuing the policy of detente, entente and cooperation with all countries, whatever their political and social systems and level of development, attaches considerable importance to her defence and the independence of her defence."

The French premier also dealt with problems in Europe, Africa, the Middle East and Asia.

Hosts Reciprocal Peking Banquet

OW211956Y Peking NCNA in English 1935 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--French Premier and Mme. Raymond Barre gave a grand reciprocal banquet at the Great Hall of the People here this evening. Premier Barre and Vice-Premier Teng Hsiao-ping made enthusiastic speeches at the banquet. Clinking glasses with French and Chinese friends present, they heartily wished the friendship between the peoples of France and China and the friendly relations between the two countries constant development.

Among those attending the banquet were Ku Mu, vice-premier of the State Council; Chi Peng-fei, secretary-general of the Standing Committee of the National People's Congress; Huang Hua, minister of foreign affairs; Li Chiang, minister of foreign trade; Huang Chen, minister of culture; and Chang Ai-ping, deputy-chief of General Staff of the Chinese People's Liberation Army.

The national flags of France and China hung side by side in the banquet hall of the Great Hall of the People where a warm and friendly atmosphere prevailed.

The first to take the floor, Premier Barre said: "one of my primary objectives in coming here is to find out your views and acquaint you with my country's views on the major issues facing the world today." He said that, between France and China, there exists in effect accord on a number of principles. Only these principles can help safeguard the fundamental interests of a country and ensure equal and harmonious cooperation with the rest of the world. Among these principles, he mentioned in particular respect for national independence and identity, renunciation of blocs, rejection of all attempts to bring pressure to bear upon other countries, and the right for each country or a number of countries freely grouped together to solve their own problems free from outside interference.

The French premier pointed out: "In preserving and developing her means of independence, joining in the great work of constructing a united Europe and encouraging all forms of regional cooperation around her which proceed from the free will of the participants, France undertakes to contribute to the advent of a multi-polar world. As for your country, Mr. Vice-Chairman, you know that we French people have always considered and are continuing to believe that the existence of a powerful and prosperous China is a necessary element to the equilibrium in the world."

Speaking of the good relations between the two countries in trade, culture and science and technology, Premier Barre said: "We have also seen broad perspectives for our bilateral relations."

Speaking at the banquet, Vice-Premier Teng Hsiao-Ping said, "It is three days, Mr. Premier, since you arrived in China, and these three days are of great significance for China-France relations. This afternoon, the Chinese people's wise leader Chairman Hua Kuo-feng met and had a friendly conversation with His Excellency Premier Raymond Barre. During the past two days, Premier Barre and I have had extensive and deep-going talks on international issues of common interest and our bilateral relations. In addition, a Chinese-French agreement on science and technology was signed by our two foreign ministers. These talks have deepened our mutual understanding."

He went on, "Chairman Mao once said to President Georges Pompidou, 'When we are with our French friends, we have the feeling that there is nothing to estrange us from each other. As Premier Barre just said, our analyses of the important problems facing the world today are often similar and sometimes even identical, and we have moreover a number of common pre-occupations. Indeed, both China and France treasure their own national independence, and they don't allow the superpowers to dictate to them or ride roughshod over them; both of them believe that in order to defend national independence and security, it is necessary in this troubled world to strengthen their defence capability and oppose any attempt of hegemonism to weaken their defence. Our two sides maintain that their relations should be developed on the basis of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, and equality and mutual benefit.'"

Vice-Premier Teng Hsiao-ping pointed out: "We can say with full confidence that the China-France relations in the political, economic, trade, scientific and technical, and cultural fields will witness still greater developments than ever before, with broad prospects ahead."

The vice-premier said, "Premier Barre and his party are leaving shortly to visit north-east China and Shanghai and make contacts with people there. The distinguished French guests will see still more clearly the excellent situation in which initial success has been achieved under the leadership of Chairman Hua in grasping the key link of class struggle and bringing about great order across the land. The distinguished French guests will also see that the Chinese people have respect for the French people who have played an important role in the history of the world revolution, and that they sympathize with and support the French people in their present struggle to safeguard national independence and security. The Chinese people hope to see an independent, powerful and prospering France and a united, powerful and prosperous Europe."

Also attending the banquet were leading members of government departments concerned and the Peking Municipal Revolutionary Committee including Ku Ming, Chiang Nan-hsiang, Sung Chih-kuang, Tsui Chun, Hsiao Peng, Liu Ang, Sun Hsiao-feng, Li Tai-keng, Kuo Wei-cheng, Chou Hui, Shen Kuang, Kao I, Tan Yun-ho, Li Chang, Lu Chin-tung, Wang Yeh-chiu, Wang Yu-ching, Tseng Tao, Wang Jo-shui, Chin Chao and Chia Ting and Chinese Ambassador to France Han Ko-hua, as well as leading members of the friendship organizations and well-known personages from scientific and technical circles.

Also present were Premier Barre's party, French Ambassador to China and Mme Claude Arnaud and other diplomatic officials of the French Embassy here.

Meets Teng Ying-chao

OW221503Y Peking Domestic Service in Mandarin 1200 GMT 22 Jan 78 OW

[Text] Teng Ying-chao, vice chairman of the NCP Standing Committee, had a friendly meeting with Premier Raymond Barre and Mme Barre on the afternoon of 22 January. During their meeting, Vice Chairman Teng Ying-chao warmly shook hands with Premier Barre and Mme Barre, warmly welcomed them on their visit to China and expressed pleasure at having the opportunity to meet them.

She said: "The friendship between the Chinese and French people began a long time ago. Since diplomatic relations were established between the two countries, relations between China and France and the friendship between the people of the two countries have been strengthened each day. Through their current visit to China, Premier Barre and Mme Barre have made new contributions toward further developing these relations and friendship."

Premier Barre conveyed to Vice Chairman Teng Ying-chao the French people's greetings. He said: "The French people have great respect for Premier Chou En-lai, they all know that he lived in France for some time when he was young and that he played a very important role in developing Sino-French relations."

Vice Chairman Teng Ying-chao said: "The continued development of relations between China and France and the friendship between the people of the two countries is the result of the common efforts made by the leaders and people of these countries."

French Foreign Minister Louis de Guiringaud was among those present during the meeting. Also present on the occasion were Chinese Foreign Minister Huang Hua and others.

I. 23 Jan 78

A 14

PRC
INTERNATIONAL AFFAIRS

Teng Comments on 'Vietnamese Aggression'

OW221340Y Hong Kong AFP in English 1315 GMT 22 Jan 78 OW

[Text] Peking, Jan. 22 (AFP)--Chou En-lai's widow Mrs Teng Ying-chao revealed today that Peking regarded Cambodia as a victim of "Vietnamese aggression" and that Cambodian territory had been occupied in three places, according to an informed source. Mrs Teng Ying-chao was speaking to the visiting French Prime Minister Mr Raymond Barre, before he left the Chinese capital.

Observers said this was the first time that China had directly criticised Vietnam over the Khmer-Vietnamese conflict in which Peking has ostensibly supported Phnom Penh since the border fighting came to light.

On the death of Chou En-lai Mrs Teng Ying-chao, who is vice-chairman of the National People's Congress, became a kind of roving ambassadress carrying out visits abroad. She returned here yesterday from an unexpected four-day visit to Cambodia.

Since the outbreak of the conflict China has progressively moved towards firmer and firmer support for Cambodia but it had up to now refrained from criticising Hanoi. On Friday the official press for the first time explicitly placed the responsibility for the conflict on the Soviet Union which it accused of having "poured oil on the fire". But this statement did not include any direct or indirect reproach of Hanoi, and China recalled the "firm support" it had "always given" to the struggle of the Vietnamese people against the United States.

Departs for Liaoning

OW221457Y Peking Domestic Service in Mandarin 1200 GMT 22 Jan 78 OW

[Text] French Premier and Mme. Raymond Barre, accompanied by Vice Premier Ku Mu and Sung Chih-kuang, assistant to the minister of foreign affairs, left Peking this evening by special train for Liaoyang Municipality of Liaoning Province. The distinguished French guests were warmly seen off at the railway station by Vice Premier Teng Hsiao-ping, Foreign Minister Huang Hua, Minister Li Chiang, Deputy-Chief of General Staff Chang Ai-ping and several thousand people of the capital.

A ceremonious send-off was held at the railway station. Premier Barre, accompanied by Vice Premier Teng Hsiao-ping, inspected the honor guards of the PLA army, navy and air force. Amid joyful band music, Premier and Mme. Barre happily waved goodbye to the wellwishers. With songs and dances, the wellwishers warmly congratulated Premier Barre on his promotion of friendship between the Chinese and French people and the friendly relations between the two countries during his visit to China. French Ambassador to China and Mme. Claude Arnaud are accompanying Premier and Mme. Barre to Liaoyang.

Premier and Mme. Barre and other French guests toured the Great Wall and Ting Ling [one of the M^{ing} tombs] this morning in the company of Minister Li Chiang.

Talks With PRC Leaders Reviewed

LD222012Y Paris Domestic Service in French 1800 GMT 22 Jan 78 LD

[Summary] Premier Raymond Barre today concluded the first part of his official visit to China with a visit to tourist sites. He is now on board a special train going to Liaoyang, where he will visit a petrochemical complex built by French experts. Here is a dispatch from one of our special correspondents in Peking, Edouard Sablier: [recording follows]

Arriving in Peking on Thursday, I told you that [words indistinct] the Chinese told the French premier and the delegation accompanying him that their dominant concern is to defeat the hegemony of the superpowers. When he told journalists of his impressions at the end of his meetings with the Chinese leaders, in particular with Chairman Hua Kuo-feng, Raymond Barre confirmed that there is a complete convergence of views between the two countries on this point. This convergence, the premier said, is not surprising. China and France, are countries anxious to defend their national independence. They are both opposed to the domination which the two superpowers would like to exercise in the world. One cannot say it any more clearly: France, like China, refuses any hegemony.

"In addition, the two countries eagerly desire world disarmament. In order that this disarmament should not endanger the right of each state to security, it would be best for the two superpowers to set an example by first reducing their gigantic arsenals. On this point, too, the Chinese share the French view: Disarmament should be global--in other words, without discrimination and affecting conventional forces as well as nuclear weapons, and finally, it should be controlled--in other words, even the countries which do not have observation satellites should be in position to participate.

"Indeed, Mr Barre's press conference covered several fields: Bilateral cooperation--France is in a position to help China achieve its modernization program; Africa--foreign interference only aggravates the existing tension; the Near East--peace should be global and just, with recognition of the rights of the Palestinians; withdrawal from unduly occupied territories, and guaranteed and recognized secure borders for all states in the region. The convergence of views on all these points is total, but once again what is most striking of the impressions conveyed by Raymond Barre is that the Chinese do not want war; they fear it more than anyone else, and for them, as for France, it is only by diminishing local tension that one can attain one's objective. [end recording]

MIDDLE EAST & AFRICA

EGYPTIAN-ISRAELI PEACE TALKS SUSPENDED

OW221309Y Peking NCNA in English 1251 GMT 22 Jan 78 OW

[Text] Peking, January 22, 1978 (HSINHUA)--The meeting of the Egyptian-Israeli Political Committee on the Middle East peace talks which opened in Jerusalem on January 17 has been suspended as a result of the obstacles placed by Israel. On January 18, Egyptian President Anwar as-Sadat summoned back his foreign minister, Muhammad Ibrahim Kamil, head of the Egyptian delegation to the meeting.

Speaking at a press conference on January 20, President as-Sadat said that to push ahead with the negotiations, the minimum the Egyptian accepts [as received] is a declaration of principles stating the withdrawal of Israelis from the occupied land and the recognition of the Palestinian people's right to self-determination. It involves a principle, he added. He also accused Israel of obstinacy in keeping settlements in Sinai, an act of trampling on the sovereignty and territory of other countries. "The door to peace is not closed. But at this point there must be a re-evaluation of the whole thing," he stated.

It was reported that at the opening session of the Political Committee Israeli Foreign Minister Moshe Dayan insisted on denying the Palestinian people their right to self-determination, including the creation of an independent country.

In the evening the same day, Israeli Prime Minister Menahem Begin arrogantly declared at a dinner for the Egyptian foreign minister and the U.S. secretary of state that Israel would not return to its 1967 borders, nor allow the redivision of Jerusalem.

Soon after his visit to Israel last November 19, President as-Sadat proposed on the 26th that before the opening of the Geneva conference on the Middle East, a preparatory meeting should be held in Cairo with the participation of the representatives of all parties to the Middle East conflict, the United States, the Soviet Union and the United Nations. On December 14 the Cairo meeting officially opened and was attended by representatives of Egypt, Israel, the United States, and the United Nations. Syria, Jordan, Lebanon, the Palestine Liberation Organization and the Soviet Union refused to attend.

Israeli Prime Minister Menahem Begin visited Ismailia of Egypt last December 25 and 26 on invitation and held talks with President as-Sadat. They failed to reach agreement on the principles for peace but agreed to raise the Cairo meeting to ministerial level. They also agreed to set up a political committee headed by the foreign ministers of the two countries and a military committee headed by the defence ministers. The two committees were to hold meetings in Jerusalem and Cairo respectively.

The military committee held a meeting in Cairo from January 11 to 13, which was broken off owing to Israel's unreasonable demands for keeping its settlements and airports in Sinai, which were firmly rejected by Egypt.

SOVIET CARRIER CONDUCTS EXERCISES NEAR EGYPT

OW181652Y Peking NCNA in English 1606 GMT 18 Jan 78 OW

[Text] Peking, January 18, 1978 (HSINHUA)--The Soviet aircraft carrier Kiev is conducting military exercises with other Soviet warships from a spot near the coast of Egypt, U.S. official sources said on January 16, according to a Washington report. The sources said that the Kiev and its escort vessel, a guided missile cruiser, have been at anchor since last week in international waters in the Gulf of Salum located at the border between Egypt and Libya. The Kiev was joined during the weekend by a Soviet task force of some eight warships headed by the helicopter carrier Moskva, and is conducting anti-submarine exercises from a spot near the coast of Egypt. The Kiev, the first Soviet aircraft carrier, is placed under the command of the Northern Fleet with headquarters at Murmansk. It entered the Mediterranean early this month through the Strait of Gibraltar.

WESTERN HEMISPHERE

CANADIAN DEFENSE COLLEGE GROUP FETED BY PLA

OW221239Y Peking NCNA in English 1736 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)- Wu Hsiu-chuan, deputy chief of General Staff of the Chinese People's Liberation Army, and Hsiao Ko, director of the PLA Military Academy, met and had a friendly conversation here this afternoon with Rear Admiral C.W. Ross and J.M. Harrington, commandant and deputy commandant of the Canada National Defence College, who are leading the college's visitors group to China. In the evening, Wu Hsiu-chuan and Hsiao Ko hosted a banquet in honour of all members of the Canada National Defence College visitors group.

I. 23 Jan 78

A 17

PRC
INTERNATIONAL AFFAIRS

A.R. Menzies, Canadian ambassador to China, and Colonel K.J. Perry, military attache of the Canadian Embassy, were present at the meeting and the banquet. Mrs Menzies attended the banquet.

Present on both occasions were also Yang Chen, deputy director of the PLA Military Academy; Chu Kai-yin, deputy director of the Foreign Affairs Bureau of the Ministry of National Defence; and Chu Chi-chen, deputy director of the Department of American and Oceanian Affairs of the Foreign Ministry.

The visitors group arrived here by air yesterday.

Gives Reciprocal Banquet

OW221721Y Peking NCNA in English 1710 GMT 22 Jan 78 OW

[Text] Peking, January 22, 1978 (HSINHUA)--Rear Admiral C.W. Ross, leader of the visitors group of the Canada National Defence College and commandant of the college, gave a reciprocal banquet here this evening. Among the guests were Wu Hsiu-chuan, deputy chief of General Staff of the Chinese People's Liberation Army; Hsiao Ko and Yang Chen, commandant and deputy commandant of the PLA Military Academy; Chu Kai-yin, deputy director of the Foreign Affairs Bureau of the Ministry of National Defence; and Chu Chi-chen, deputy director of the Department of American and Oceanian Affairs of the Foreign Ministry.

Present on the occasion were Canadian Ambassador to China A.R. Menzies and Mrs Menzies; and Military Attache of the Canadian Embassy Col K.J. Perry and Mrs Perry.

The banquet proceeded in a friendly atmosphere. Toasts were drunk to the constant development of the friendly relations between the peoples and armies of China and Canada.

CANADIAN DEFENSE OFFICIALS CRITICIZE SOVIET EXPANSION

OW221806Y Peking NCNA in English 1752 GMT 22 Jan 78 OW

[Text] Ottawa, January 21, 1978 (HSINHUA)--Canadian Minister of National Defence Earney Danson and other senior military officers strongly called for heightened vigilance against the expansionist policy of the Soviet Union in its quest for world domination, at the 41st annual conference of the Canadian defense associations which closed here today. Danson delivered a major speech at the opening session of the three-day conference. He said: "The Soviets talk detente while continuing to out-produce us in arms." "Their military machine is much bigger than they need for self-defense and still they go on widening the gap," he added.

The minister stressed that "we cannot lose sight of the fact that detente has not changed the Soviet goal." He said, "We cannot shut our eyes to the Soviet build-up of arms on every front. Suppose the Soviets gain what they see as a winning edge in conventional arms. What is to stop them taking a quick bite out of Europe?"

He proclaimed that "the Canadian forces have a vital role on NATO's northern flank in Norway." He pointed out that "the tragedy of World War Two was the French and British failure to honour their commitment to Czechoslovakia."

I. 23 Jan 78

A 18

PRC
INTERNATIONAL AFFAIRS

Admiral R.H. Falls, chief of the Defence Staff of the Canadian Armed Forces, also spoke at the opening session. He said, "In my opinion, the real threat to Canadian sovereignty in the foreseeable future would arise from aggression in Europe, or from any war which would involve Warsaw Pact and NATO forces. Certainly, we must always have sufficient forces in place to maintain complete surveillance and control of our vast northern territories". "If and when the threat in the north increases, we will take all the measures necessary to counter it," he declared.

Vice-Admiral Andrew Collier, commander of Maritime Command, outlined the Soviet sea power's threat to NATO alliance yesterday. He said, "The Soviets have been preoccupied with building a force superior to the combined Western alliance. The Soviet policies have resulted in the realization of the largest and most modern navy in the world". He noted that the Soviet Union takes this blue water navy to "the drive for world domination". Its roles in peace and war are as follows: A) To provide a nuclear deterrence; B) the destruction of the Western strike fleet; C) the destruction of the Western SSBN (ship, submarine, ballistic, nuclear-powered) forces and; D) the control of the seas, the life lines of the Western world, he pointed out.

"The Great Highway", a documentary film, was shown at the conference. The film tells how essential the Atlantic sea lanes are to NATO nations, because most of the food, energy and raw materials the NATO nations use each day are always at sea. If this flow were to stop, much of life in Western Europe would stop also.

LEADER OF CUBAN TRADE DELEGATION DEPARTS PEKING

OW181526Y Peking NCNA in English 1510 GMT 18 Jan 78 OW

[Text] Peking, January 18, 1978 (HSINHUA)--Manuel Estefania Secane, leader of the Cuban Government trade delegation and vice-minister of foreign trade, left here for home by air today. He was seen off at the airport by Chinese Vice-Minister of Foreign Trade Tsui Chun and Cuban Ambassador to China Ladislao Gonzalez Carbajal.

Chinese Minister of Foreign Trade Li Chiang yesterday met and had a friendly talk with Vice-Minister Estefania. During his stay in China, the vice-minister visited Peking, Canton, Hangchow and Shanghai.

AMBASSADOR TO VENEZUELA ENDS TENURE, DEPARTS FOR HOME

OW221522Y Peking NCNA in English 1513 GMT 22 Jan 78 OW

[Text] Caracas, January 21, 1978 (HSINHUA)--Chinese Ambassador to Venezuela Ling Ching left here for home today after ending his tenure of office. Seeing the ambassador off at the airport were Victor Ochoa, president of the Venezuela-China Friendship Association; Wu Te-chi, president of the Overseas Chinese Association; and Kuang Chin-yuan, president of the Association of Chinese Community.

NATIONAL DEFENSE SCIENTIFIC COMMISSION STRESSES MODERNIZATION

OW201654Y Peking Domestic Service in Mandarin 1100 GMT 20 Jan 78 OW

[Article by theoretical group of the National Defense Scientific and Technological Commission. "Integration of 'Millet Plus Rifles' With Modernization--Criticizing the Crimes of the Gang of Four in Undermining Modernization of National Defense"]

[Text] Whenever one speaks of "millet plus rifles," one cannot help but have a kind feeling toward it. "Millet plus rifles" is an heirloom with which our country's army and people have overcome the enemy and won victory under the leadership of the party and Chairman Mao. This phrase reflects the revolutionary tradition of our armymen and people of waging heroic struggle with poor weapons and equipment against better-equipped enemies. It also vividly manifests Chairman Mao's great thinking on the people's army and people's war. The words "millet plus rifles" will forever be recorded in China's revolutionary annals; their glittering Marxist-Leninist radiance will encourage our country's people to triumph over any ferocious enemy who is armed to the teeth.

Everything in the world experiences stages of development; so also does the meaning of our army's "millet plus rifles." Chairman Mao pointed out: The development of our army's weapons and equipment has experienced three stages: the initial stage is "millet plus rifles"; then "millet plus rifles plus aircraft and cannons"; and, finally, a new development characterized by "conventional weapons plus special weapons."

Chairman Mao emphatically pointed out the necessity to integrate "millet plus rifles" with modernization. This means that it is necessary not only to carry forward our army's revolutionary tradition of defeating better-equipped enemies by waging people's war but also to pay attention to modernization of national defense. We must have not only more aircraft and cannons but also atomic bombs; we must have not only what other countries have but also what other countries do not have. This is our army's orientation for revolutionization and modernization which has already been pointed out by Chairman Mao.

Adhering to Chairman Mao's instruction on army consolidation and preparedness for war, the enlarged meeting of the Military Commission held in 1975 reached a number of important decisions on consolidating the army, intensifying military training, preparing for war and improving weapons and equipment. All these decisions, which are completely in keeping with the orientation of strengthening our army's revolutionization and modernization, as taught by Chairman Mao, and of wholly meeting the needs for class struggle both at home and abroad, have been enthusiastically supported by the commanders and fighters throughout the army. Implementation of these decisions has dealt a telling blow to the aggressive actions of imperialism and social imperialism and to the gang of four's counterrevolutionary plot to oppose and create chaos in the army and usurp party and state power.

Desperate and low-spirited, the gang of four viciously attacked the Military Commission's meeting as a "meeting of restoration" and a "meeting of reversing verdicts." When an upsurge of going all out to achieve modernization of science and technology for national defense was whipped up after the aforesaid meeting, the gang of four and their agent on the National Defense Scientific and Technological Commission began to madly and noisily slander the situation as being dominated by the "theory that weapons decide everything" and an "atomic bomb fetish."

They even began to directly attack Chairman Mao's instruction on the plan for developing and producing sophisticated weapons for national defense. This hot debate on the relationship between revolutionization and modernization was evidently a serious struggle between upholding and opposing Chairman Mao's military line.

The "theory that weapons decide everything" is a bourgeois hypothesis which reverses the relationship between man and weapons, denies man's decisive role and alleges that weapons are the decisive factor in the outcome of a war. In line with Chairman Mao's teachings, our army has always held that man is the decisive factor in a war although weapons are also an important element. Under the signboard of opposing the "theory that weapons decide everything," the gang of four obliterated the fact that weapons are an important factor in war. This is the height of absurdity. Their criminal aim was to disrupt the modernization of our army.

With regard to army building, Chairman Mao not only stressed the importance of revolutionization but also showed concern for improvement of our weapons and equipment. In the early days of the Red Army, we had only "millet plus rifles"; we even fought with spears and broadswords. When we seized an enemy radio station, Chairman Mao immediately instructed us to establish a radio station for our army. He said: "This is as important as the pier in building a bridge. With the pier we can build a bridge while, with the radio station, we can command and communicate with our army smoothly." After the Red Army formed an artillery company, using the artillery captured from the enemy, Chairman Mao sent his secretary to help with the work of this company. Later, in a special class at the Red Army College in Juichin, we trained a number of Red gunners with the captured artillery. By that time, our army, which had started out with "millet plus rifles," also had a few radio stations and mortars. During the Long March, when our army was trying to cross the Tatu River, two mortar shells destroyed the enemy's bridgehead on the other side of the river. These two shells insured our successful crossing of the river.

During the 8 difficult years of the war of resistance against Japan, Chairman Mao continued to pay great attention to modernization of our army. In the article "On Protracted War," Chairman Mao taught us: "Reforming our military system requires modernization and improved technical equipment, without which we cannot drive the enemy back across the Yalu River." Accordingly, indigenous arsenals were set up in all army base areas where conditions permitted. At that time, some gun barrels were made from railroad car axles, recoil springs were made from locally available steel and sealing glycerine was derived from castor oil.

In the years of the liberation war, our army formed artillery and armored force units with the artillery and tanks given to us by Chiang Kai-shek, the leader of our transportation brigade. At the time of nationwide liberation, we built our own air force and naval units; we had both aircraft and artillery in our army.

In the war to resist U.S. aggression and aid Korea, Chairman Mao instructed that antitank weapons be added to the military equipment of the Chinese People's Volunteers. These weapons dealt telling blows to the ferocious invading tanks of the enemy.

After the founding of the PRC, with great farsightedness Chairman Mao instructed us to make strenuous efforts to modernize our national defense, work on atomic energy and build atomic and hydrogen bombs.

Guided by Chairman Mao's revolutionary line, our country relied on its own hard efforts and finally succeeded in making nuclear weapons such as atomic bombs, hydrogen bombs and guided missiles. At this time, our army's weaponry now includes both conventional and strategic weapons.

Chairman Mao's great revolutionary practice of showing concern for improvement of our army's weapons and equipment, based on the needs of military developments and in consideration of our abilities, is the most powerful criticism of the gang of four's crime in vilifying improvement of weapons and equipment as practicing the "Theory That Weapons Decide Everything." At the 1975 enlarged meeting of the Military Commission, Vice Chairman Yeh made these explicit remarks, based on Chairman Mao's consistent teachings: "Man is the decisive factor in the outcome of a war although weapons are also an important factor. When our men have consciousness and relatively advanced equipment and when we have successfully prepared for war and integrated man well with his equipment in order to provide the fullest range of fighting power, we can fulfill all our fighting tasks with still greater success." The number of important resolutions adopted at that meeting were based on the integration of man and his equipment, ideological and material preparation for war, revolutionization and modernization. Thus, Chairman Mao's thinking on army building and line were implemented. This could never be described as practicing the "theory that weapons decide everything."

According to the fallacy of the gang of four, developing weapons and equipment means practicing the "theory that weapons decide everything" and not doing so means revolutionization. Regarding this, the wise leader Chairman Hua incisively pointed out: "The gang of four viciously labeled the modernization of our national defense forces as an application of the 'purely military viewpoint' and of the 'theory that weapons decide everything.' This was nothing but an absurd attempt to undermine the modernization of our army and render it backward and vulnerable in the face of any enemy armed to the teeth."

In any future war against aggression, if anyone still thinks it's possible to use broadswords against guided missiles and other nuclear weapons of imperialism and social imperialism, then he evidently is not prepared to possess all the weapons and means of fighting which the enemy has or may have. This is a foolish and even criminal attitude which Lenin criticized a long time ago.

It is true that, as experience can fully testify, our revolutionary army is surely capable of defeating better-equipped enemies with poor equipment. However, it should be noted that our army's defeat of better-equipped enemies with our poor equipment was a dialectical process in which our army continued to capture the enemies' weapons and equipment in order to arm itself and improve its own weaponry. Without this continuous improvement of our weapons and equipment, it would have been impossible for us to eventually defeat the Japanese aggressors and the Chiang Kai-shek reactionaries. It's obvious that we were not at all reconciled to our backward state but, using the things that were available to us, we gave full scope to man's subjective initiative in an effort to change our backwardness.

As we clearly recall, in the past revolutionary war our army underwent a marked development from the scattered activities of small units to the coordinated operations of big corps and from guerrilla war to campaigns of attacking and taking fortified cities.

This development can be attributed not only to the increase in the number of our troops but also to the improvement of our army's weapons and equipment from a very poor to a relatively good state. That our army forever maintains backward, poor equipment is what the imperialists, revisionists and reactionaries earnestly desire. We resolutely refuse to allow such a thing to happen.

Chairman Mao taught us: "Revolutionization and modernization have a relationship of dialectical unity. Revolutionization is the political orientation for building our army. Modernization provides the material basis for insuring fulfillment of its revolutionary tasks. Modernization without revolutionization will make army-building work lose its bearings. Revolutionization without modernization cannot make our army into a really strong revolutionary army."

On the basis of Chairman Mao's analysis of the current international situation and particularly in view of the fact that Soviet revisionism's wild ambition to subjugate China will not die, the 1975 enlarged meeting of the Military Commission decided to strengthen preparedness against war and intensify the research, production and rapid improvement of our army's weapons and equipment so that "millet plus rifles" could be integrated with modern equipment in order to meet the needs of modern warfare. This is entirely correct.

In waging war, we have relied and will continue to rely on people's war. However, we must realize that any future war against aggression will be a people's war under modern conditions. The suddenness of an outbreak of modern war, the complexity of coordinating ground, naval and air operations, the extreme flexibility of combat units and the highly centralized, unified, planned and flexible command structure--all these factors make it necessary for our army to have appropriate modern equipment.

For example, the intercontinental ballistic missiles have only a little more than 10 minutes countdown time while the target-seeking guided missiles are allowed only a few minutes countdown time. For this reason, our armed forces must have an automatic, computerized countdown, communications and command system and rapid, motorized, modern transportation facilities. They must also be armed with conventional and strategic weapons so they can take quick and effective retaliatory action against any invading enemy. We have the world's best revolutionary armed forces, armed with Mao Tsetung Thought. Once they are armed with modern weapons, they will be like winged tigers and will become more invincible than ever. Only in this way can they better fulfill their historic mission--to thwart aggression from abroad and prevent capitalist restoration at home.

Pitting revolutionization against modernization, the gang of four vilified the call of the 1975 enlarged meeting of the Military Commission for improving our armed forces' weapons as a call to give up class struggle and the dictatorship of the proletariat. This is true nonsense from the mouths of reactionary elements!

Modernization of the science and technology of national defense is the key to modernizing and strengthening our armed forces. Science and technology must take the first step forward by modernizing themselves. Otherwise, it will be impossible to accelerate modernization of national defense. We must rely on our own efforts in conducting research on production of modern weapons and equipment. This task is now more urgent than ever.

In the past, although we had no guns or artillery, we could get them from the enemy troops. Those days are gone forever. In a modern self-defense warfare against aggression, we can no longer mainly pin our hopes on the enemy for our acquisition of conventional weapons, equipment and ammunition, much less expect to seize and use the enemy's special weapons, particularly strategic nuclear weapons, as they are stored on remote bases in hostile countries.

However, research on production of modern weapons and equipment requires study and mastery of the latest scientific and technological achievements. To achieve this requires time; to dig a well when one is thirsty is not a good idea. For example, it normally has taken other countries from 4 to 8 years to complete the research process for developing their first nuclear bomb from the time of their first atomic bomb. But, guided by Chairman Mao's revolutionary line, China achieved this in 2 years and 8 months--a much shorter period than in Western countries. This success must be attributed to the superiority of our socialist system.

Chairman Mao warned us: "In the future, if a war is launched by the imperialists, it is very likely that they will mount surprise attacks just as they did during World War II. For this reason, we must be mentally and materially prepared against this possibility so that we will not be thrown off guard in the event of an emergency." In view of this, we must race against time, compete for speed, do everything possible to overcome difficulties in modernizing the science and technology of national defense and accelerate the revolutionization and modernization of our armed forces. We should regard this as an urgent task of primary importance and as part of the major struggle against imperialism, revisionism and for consolidation of the dictatorship of the proletariat--a struggle that is taking place in research laboratories and field experiments.

The gang of four attacked efforts to accelerate modernization of national defense with the following statement: "Satellites went up to the sky while the red flag fell to the ground." This is really a nonsensical, malicious statement!

War is a contest of strength. We need strength to wage war but this strength must be supported by material resources. In addition to modern weapons and equipment, we must have modern industries producing steel, iron and petroleum. Talk of modernization of national defense will be empty words without modernization of weapons and equipment; talk of modernization of weapons and equipment will also be empty words without steel, iron and nonferrous metals. Just as Vice Chairman Teng said in a speech at the 1975 enlarged meeting of the Military Commission: "Material resources like steel, iron and nonferrous metals are needed to wage war."

Our armed forces are loyal to the party, people and motherland. They have displayed the revolutionary spirit of fearing neither hardship nor death. If they have the necessary material resources to support them, they can certainly fight a heroic war against aggression and win tremendous victories at a reduced cost to their country.

We must oppose two different tendencies while revolutionizing and modernizing our armed forces. One tendency emphasizes the importance of "millet plus rifles" and ignores modernization of our armed forces; the other emphasizes modernization of our armed forces and ignores our army's revolutionary tradition of "millet plus rifles."

We must combine the strategy of waging war with existing weapons and equipment with our efforts to advance the modernization of our armed forces. We should not lose sight of the fact that, as long as we adhere to Chairman Mac's line on military affairs, rely on people's war and existing weapons and equipment and persist in carrying out protracted struggle, we will certainly defeat the enemy in any war against aggression; neither should we lose sight of the fact that, only by vigorously strengthening and modernizing our armed forces and improving our weapons, equipment and technology, will we lower the cost of war and reduce our losses in fighting any strong enemy who is armed with modern weapons. By doing this, we believe we can avoid many detours on the road of our advance.

Of course, we must also note that in 5 or 10 years hence, our weapons and equipment may still be inferior to our enemies' despite our efforts to improve them. In realizing this, we have no alternative but to constantly and actively increase our efforts to modernize national defense. On the other hand, we must always be prepared to use inferior equipment in order to defeat aggressors armed with superior weapons. Only by doing this can we become invincible in any war.

The gang of four exerted utmost efforts to hamper the modernization and revolutionization of our armed forces. Their criminal aim was to usurp the leadership of our army, create chaos in our armed forces and destroy our "great wall." They also wanted to promote their counterrevolutionary political program and pave a way for usurping party and state power. Although they stirred up a lot of trouble and brought disorder across the land at one time, they eventually could not escape the cruel punishment of history. Presently, in addition to thoroughly exposing and criticizing the crimes of the gang of four in hampering the modernization and revolutionization of our armed forces, we must bring into full play our army's fine revolutionary tradition of "millet plus rifles" and make efforts to accelerate the revolutionization and modernization of our armed forces. Only in this way can we make up the time loss caused by the gang's efforts to prevent the thorough implementation of the resolution of the 1975 enlarged meeting of the Military Commission.

PEOPLE'S DAILY REFUTES GANG'S ATTACK ON HISTORICAL MATERIALISM

OW230839Y Peking NCNA in English 0731 GMT 23 Jan 78 OW

[Text] Peking, January 23, 1978 (HSINHUA)--The PEOPLE'S DAILY recently carried an article entitled "The Aim of the Gang of Four in Criticizing the 'Theory of Productive Forces' Is To attack Historical Materialism". [This article appears in PEOPLE'S DAILY of 17 January and is authored by Lin Tzu-li and Yu Lin.]

The article says that historical materialism is an important part of Marxism and an important theoretical basis on which the proletarian party lays down its programme, line and policies. In the name of criticizing the "theory of productive forces", the gang of four wildly attacked historical materialism, in an attempt to deprive the party of an invincible ideological weapon, change its proletarian nature and usurp supreme party and state power.

When the gang of four held sway in theoretical studies, they peddled such reactionary theories as "the superstructure determines the economic base" and "the relations of production determine the productive forces" in the entire historical period of socialism, the article adds.

Whoever disagreed with this "philosophy" was condemned as a follower of the "theory of productive forces".

Marx said that in acquiring new productive forces men change their mode of production; and in changing their mode of production, they change all their social relations. "The hand-mill gives you society with the feudal lord; the steam-mill, society with the industrial capitalist." Lenin said: Just as material causes underlie all natural phenomena, so the development of human society is conditioned by the development of material forces, the productive forces." Chairman Mao also said: "The productive forces are the most revolutionary factor. When the productive forces have developed, there is bound to be a revolution."

These statements, the article continues, all point out the fact that the development of society is in the final analysis determined by the development of the productive forces. This is the basic theory of Marxist historical materialism. Yet the gang of four attacked it as a "theory of productive forces" and tried to replace it with their historical idealist concept that the superstructure decides everything.

The article criticizes the gang of four for quoting Engels and Chairman Mao out of context to prove the gang's assertion that the relations of production and the productive forces, and the superstructure and the economic base, are equally and mutually decisive.

When the old superstructure was preventing the new economic base from taking shape and the old relations of production were obstructing the development of the productive forces, the productive forces and society would stagnate without a political revolution to change the superstructure and a social revolution to change the relations of production, the article says. But, while affirming the great role of the revolution, neither Marx nor Chairman Mao ever regarded revolution as the ultimate cause or the ultimate decisive factor in historical development. They looked on revolution only as an impetus that directly promotes this development when it is at a turning point. For revolution is caused by the sharpening contradiction between the productive forces and the relations of production, which in turn is caused by the development of the productive forces. Therefore, in the final analysis, it is not changes in the relations of production and the superstructure that determine the development of the productive forces, but the development of the productive forces that necessitates changes in the relations of production and the superstructure.

This historical materialist theory, which affirms the productive forces as the ultimate decisive factor, has nothing in common with the vulgarization of this theory, the article points out. According to the vulgarized theory of "productive forces", in a country where the productive forces are not sufficiently developed it is impossible to win victory in a proletarian revolution whatever the circumstances; the proletariat should not try to seize political power but wait passively for the development of the productive forces; and even if it should succeed in seizing political power it cannot use this power to build socialism. This "theory" completely negates the reaction of the relations of production on the productive forces and that of the superstructure on the economic base.

The gang of four attacked historical materialism by mixing it up with the vulgarized theory of "productive forces". An example is the article signed by Cheng Yuezhi, which was inspired, revised and approved by Yao Wen-yuan, entitled "A General Programme for the Restoration of Capitalism". Cheng Yuezhi lumped the two utterly incompatible theories together and called the mixture "the theory of productive forces" in order to justify his sophistry--if you insist that the productive forces are the ultimate decisive factor, you must be opposed to class struggle and revolution; if you want class struggle and revolution, you must give up the basic theory of historical materialism that the productive forces are the ultimate decisive factor.

Historical materialism tells us that development of the productive forces promotes social progress, and not retrogression. On the other hand, stagnation of the productive forces may cause social retrogression and the restoration of the old system. Therefore, it is always correct to develop the productive forces and it is reactionary to obstruct and disrupt the development of the productive forces. Marx said that this development of productive forces "is an absolutely necessary practical premise, because without it privation, want is merely made general, and with want the struggle for necessities would begin again, and all the old filthy business would necessarily be restored". This of course does not mean that the development of productive forces would automatically eliminate the danger of restoration of the old system. The elimination of this danger requires unremitting struggles with regard to the relations of production and the super-structure.

Capitalist restoration will become impossible when we create a much higher productivity than the capitalist system can achieve, the article concludes. At that time, the highly developed productive forces will far transcend the limits of the capitalist relations of production and it will be impossible to put them back into such relations, just as the big industry cannot be put back into the relations of production characterized by individual production. By then, capitalism will not be able to bring economic benefit to any one; it will have no reason at all to exist.

MINISTRY OF EDUCATION ISSUES PRINCIPLES FOR ENROLLING STUDENTS

OW211340Y Peking NCNA in English 1208 GMT 21 Jan 78 OW

[Text] Peking, January 21, 1978 (HSINHUA)--The Ministry of Education recently issued an outline of guiding principles for enrolling research students this year to institutions of higher education throughout China.

The number of research students to be enrolled this year is four times that of the previous peak year.

After the founding of new China in 1949, many colleges devoted attention to training postgraduates. In 1962, the Ministry of Education drew up guidelines for the enrollment and training of research students for institutions of higher education throughout the country. By the beginning of the Cultural Revolution, tens of thousands had finished their courses and were engaged in important work.

The training of research students was suspended for 12 years during the Cultural Revolution because it was attacked as part of the "capitalist and revisionist educational system" by those working under the reactionary influence of Lin Piao and the gang of four. They said that it was a ladder for people to become "bourgeois specialists".

The outline issued by the Ministry of Education says that the restoration of training outstanding people who are sound ideologically and competent technically has been approved by Chairman Hua, the party Central Committee and the State Council in order to meet the needs of the socialist revolution and the modernization of agriculture, industry, national defence and science and technology. After graduation, they are to engage in scientific research and teach in institutions of higher education.

The research students will be enrolled from among this year's college graduates and workers, peasants, soldiers and other people who have special skills and abilities and have a cultural level up to that of college education. College and middle school students with outstanding talents may also apply for admittance.

Those who want to study must make personal applications, be recommended by their own organizations and take examinations. The best will be enrolled on moral, intellectual and physical merits. Applications are to be made in March. The first examination is set for May and the final examination will be finished by June 15. Those enrolled will start their studies in September.

The guiding principles in the outline are also to be followed by research organizations under the Academy of Sciences and the State Council's ministries and commissions in enrolling research students.

Research students will be under the supervision of experienced teachers. Professor Yang Shih-hsien, a noted 82-year-old chemist at Nankai University, was delighted and told the leadership that he would help train research students. Tang Ao-ching at Kirin University said he would train 15. Li Ta-chien who graduated from a Futan University research class on the eve of the Cultural Revolution will cooperate with his teacher Ku Chao-hao in training research students in partial differential equations.

Well-known painters and professors Wu Tso-jen, Liu Kai-chu, Li Ko-jen, Chiang Chao-ho, Ku Yuan and Li Hua will also teach research students.

PEOPLE'S DAILY (Commentary)

OW201336Y Peking Domestic Service in Mandarin 0800 GMT 20 Jan 78 OW

[Report on PEOPLE'S DAILY 20 January commentary: "Enroll the Best Qualified, Make an Overall Plan"]

[Text] Under the leadership and concern of the party Central Committee headed by Chairman Hua, the entrance examinations held by colleges is a very important task. It is a manifestation of the party's line, principles and policies which has a direct bearing on the quality, speed and results in selecting talented personnel to meet the urgent needs for realizing the four modernizations. In view of the vast number of college-bound students from various localities this year, college enrollment committees at all levels must, under the leadership of party committees, seriously implement the party's principles and policies that were personally approved by the wise leader Chairman Hua on enrolling students and carry out student recruitment work in a down-to-earth and meticulous way. All colleges should assign those cadres who have a better understanding of the policies and who are good at handling enrollment work in order to insure that outstanding youths are selected among those who have applied for admission.

One of the basic principles that must be followed by colleges in enrolling students is to make an all-round appraisal of the applicants morally, intellectually and physically and enroll the best qualified. Only by adhering to this principle can we rapidly improve the quality of college education, enhance the quality of the education in primary and middle schools and develop spare-time education conducted for workers and peasants, quickly change the serious situation in which education does not suit the needs for developing socialist undertakings, and accelerate the growth of science, technology and national economy and realize the four modernizations within an early date.

Using the prerequisite of making an all-round appraisal of applicants morally, intellectually and physically and enrolling the best qualified, it is necessary to make an overall plan, correctly handle all kinds of relations and seriously implement the relevant party policies. In cases where applicants have basically the same moral, intellectual and physical qualifications, precedence should be given to workers, poor and lower-middle peasants and their children and also to educated young people who have settled in the countryside and who have chosen to return to their homeland after graduation. The educational level requirements should be somewhat relaxed for students of minority nationalities in border regions. While the major colleges should receive due attention, equal attention should also be paid to ordinary colleges. Teachers' colleges, medical colleges and agricultural colleges should respectively enroll teachers of civilian-run schools, barefoot doctors and agricultural science and technology activists who have made fine achievements. In addition, attention should also be paid to enrolling Overseas Chinese students who are willing to study in the motherland.

To insure the quality of college students, resolute action should be taken to guard against going in by the "back door," practicing favoritism, engaging in corruption and other irregularities. Those who try to go in by the "back door," practice favoritism and engage in corruption should be subjected to stern action and should, when the case is serious, be punished under party discipline and state law.

In carrying out the enrollment work, attention should be paid not only to the selection and recruitment of students but also to the work concerning those students who applied but were not admitted. It is necessary to educate the young people to foster lofty ideals, to study politics and culture and to contribute their youthfulness and talents to the realization of the four modernizations irrespective of where or not they go to college. All units, particularly those where there are relatively more educated young people, should strengthen their leadership, create conditions, consolidate and develop the enthusiasm for study already arising among youths, organize youths in various forms to take part in spare-time study programs, and lead them to take the road of being both Red and expert, in order to continuously enhance the scientific and cultural level of our whole nation.

NATIONAL COAL INDUSTRY CONFERENCE OPENS 22 JANUARY

OW221714Y Peking NCNA in English 1702 GMT 22 Jan 78 OW

[Text] Peking, January 22, 1978 (HSINHUA)--A National Conference of Labour Heroes in the Coal Industry opened here today. More than 3,000 labour heroes, model workers and representatives of advanced units and leading cadres from the coal mining front throughout the country attended.

Minister of Coal Industry Hsiao Han relayed instructions by Chairman Hua and the party Central Committee concerning the development of the coal industry.

I. 23 Jan 78

E 11

PRC

NATIONAL AFFAIRS

In his opening speech, Chung Tzu-yun, vice-minister of coal industry, said that the tasks of the current conference were to study and carry out Chairman Hua and the party Central Committee's instructions, sum up and popularize the experience of the Kailuan coal mines in developing production at high speed, discuss a ten-year plan for the development of the coal industry and a programme for mechanization, and commend the advanced, foster pace-setters and bring about a new upsurge in the mass movement to learn from Taching and catch up with the Kailuan coal mines.

The decision of the Ministry of Coal Industry on "answering Chairman Hua's call and bringing about a new upsurge in the mass movement to learn from Kailuan miners" was read out at the conference.

The decision says: Giving full play to their revolutionary spirit of being particularly good fighters, the Kailuan miners doubled the mines' designed capacity during the fourth five-year plan period (1971-1975). They have brought about a high speed development and blazed a trail in developing the coal industry with greater, faster, better and more economical results. After the earthquake, they rapidly resumed production.

The decision says: Kailuan is a red banner in learning from Taching. All the other coal mines throughout the country should learn from Kailuan and draw on its experience. They should update their plans for building more Taching-type enterprises and for expanding coal production and strive to realize the mechanization and modernization of the coal industry and catch up with and surpass the world advanced levels.

China's 1977 coal production plan was fulfilled 28 days ahead of schedule. Since the beginning of this year, production quotas have been overfulfilled every day. Coal production in the first 20 days of January topped that of the same period of last year by 24 per cent, hitting an all-time high.

Immensely inspired by the excellent situation in the coal industry, the conference participants unanimously declared that they would turn the current conference into an oath-taking rally for the high-speed development of China's coal industry. [Peking NCNA Domestic Service in Chinese at 0735 GMT on 22 January in a similar report notes the conference was presided over by "Jen Chih-heng [0117 1807 1854], vice minister of the coal industry."]

HSIAO HAN WRITES IN RED FLAG ON COAL INDUSTRY MECHANIZATION

OW180750Y Peking NCNA in English 0707 GMT 18 Jan 78 OW

[Text] Peking, January 18, 1978 (HSINHUA)--The Ministry of Coal Industry has drawn up a plan to mechanize, in the main, China's coal production by 1987. This includes mechanized extraction and transport, automated haulage and dressing, and electronic communications and production control in the major coal mines. This was revealed by Minister of Coal Industry Hsiao Han in an article entitled "Raise the Level of Mechanization and Develop the Coal Industry at High Speed" published in the January 1978 issue of the journal RED FLAG.

The minister says that in the early 1960's the gap in mechanization between China's leading coal mines and the world's major coal producing countries was not too large. However, it was widened later on as a result of interference and sabotage by Lin Piao and the "gang of four". China is behind advanced world levels in labour productivity and other economic and technical indicators.

I. 23 Jan 78

E 12

PRC
NATIONAL AFFAIRS

A leap forward is shaping up in China's economy. This will require more and more coal. The Ministry of Coal Industry is determined to lead the coal miners throughout the country in a ten year drive to double the present coal output.

To realize this programme, the article says, we shall need technical innovations, achieve mechanization and adopt advanced techniques. The machines in service will be maintained and improved to raise productivity. On the basis of self-reliance, we shall learn from the advanced technology of other countries and assimilate it in a creative way to serve China.

The article calls for setting up or strengthening the research institutions run at the mining enterprise, provincial and national levels and combining them with the efforts of colleges and designing institutes. The goal is to gradually form a rationally-located research network of mining science and technology. This network should cover, in addition to up-to-date test grounds, various research centres that combine to form a fairly complete range of subjects while each centre has special characteristics. Scientific and technical personnel should be strengthened and revolutionized and the party's policies on intellectuals implemented, for the purpose of setting up a contingent who are politically conscious and technically competent in solving all technological problems self-reliantly.

The article calls on the miners to launch a mass campaign to learn science and technology and points out the need to run training courses and spare-time schools well.

KYODO: CHI TENG-KUEI SAYS HIGH-SPEED RAILWAY PLANNED

OW210043Y Tokyo KYODO in English 0006 GMT 21 Jan 78 OW

[Text] Peking, Jan 21 KYODO--Chinese Vice Premier Chi Teng-kuei revealed here Friday that China was making a study on a plan to construct a new high-speed railway line (shinkansen) and that it wanted to dispatch a survey team to Japan in the near future. He told a group of Liberal-Democratic Party members of the House of Councillors led by Sakuri Masuda that concrete plans for construction of the shinkansen will be incorporated into the sixth 5-year program covering the period from 1981 to 1985. This is the first time that China has revealed the existence of plans for building a shinkansen.

Masuda told Chi that Japan wanted to fully cooperate with China in respect to the project. In the past, China had dispatched missions to Japan to study facilities or conventional railway lines and operation of freight service. But this is the first time that a technological mission concerned with Shinkansen will be sent to Japan.

PENG CHUNG PRESIDES OVER SHANGHAI CONFERENCE ON SNAIL FEVER

OW231332Y Peking NCNA in English 0748 GMT 23 Jan 78 OW

[Text] Shanghai, January 23, 1978 (HSINHUA)--Snails, the intermediate host for transmitting snail fever (schistosomiasis), have by and large been eradicated on 9,000 million square metres south of the Yangtze River and big advances have been made in curing and preventing malaria, filariasis and hookworm disease (ancylostomiasis). This was announced at a conference on the prevention of snail fever held in Shanghai between December 11 and 15.

Following the instructions of Chairman Hua and the party Central Committee, the conference discussed and worked out a draft programme designed to eradicate by 1985 snail fever, malaria, filariasis and hookworm disease in the 11 provinces, one municipality and one autonomous region south of the Yangtze River.

Peng Chung, member of the Political Bureau of the Central Committee of the Communist Party of China and leader of the group in charge of snail fever prevention, presided over the conference and delivered a speech.

Summing up the two-line struggle in snail fever prevention work, Comrade Peng Chung said: Chairman Mao issued the call "snail fever must be wiped out". But Chang Chun-chiao, a member of the gang of four, acted in direct opposition to this call and completely disregarded the well-being of the people. Under the pretext of "being too busy to attend to snail fever prevention work", he refused to give permission to hold meetings to discuss the work and even prevented reports on the work from reaching Chairman Mao and the party Central Committee. Since the gang's downfall, the work has gained momentum.

Snail fever has been endemic in China for a long time, affecting half the country. After nation-wide liberation, the affected areas were reduced and the incidence rate of the disease was kept down. But there still remains much work to be done.

The conference asked various localities to make further efforts to wipe out snails in the course of building farmland improvement projects, strengthen the contingent of barefoot doctors and professional medical personnel to treat snail fever patients and send medical teams to those areas where the incidence of the disease is high.

It was decided to reinstitute local snail fever study committees. They will be charged with the tasks of organizing research work in this field to improve the method of diagnosis and find new cures of the disease and new ways to eradicate the snails.

During the conference, the representatives visited Kunshan and Wuchiang counties in Kiangsu Province and Chingpu County on the outskirts of Shanghai, where the work in prevention and treatment of snail fever has been well done.

Kunshan County used to rely on a few doctors to do the job. In 1970, a large number of barefoot doctors were organized to help the professionals. Over the past seven years, the county has carried out 12 general check-ups and treated 310,000 patients. 93 per cent of them have recovered.

KWANGMING DAILY CALLS FOR PROGRESS IN HEALTH WORK

HK160230Y Peking KWANGMING DAILY in Chinese 7 Jan 78 p 1 HK

[Commentary by KWANGMING DAILY reporter: "Grasping the Key Link in Running the Country Yields Initial Success; the Situation on the Health Front Is Delightful"]

[Summary] Chairman Hua's strategic policy decision on grasping the key link in running the country well has brought about an encouraging situation on the health front. At the end of 1971, I interviewed comrades of the Ministry of Public Health and of health bureaus of some provinces, municipalities and autonomous regions. The situation in these localities now indicates that the goal of achieving initial success in 1 year has been attained on the health front.

"The 'gang of four' and their followers in the Ministry of Public Health did their best to peddle their counterrevolutionary 'two assessments.' They concocted the poisonous film 'Spring Shoot' and a sinister article written by 'Miao Yu' [5379 7183] to paint a black picture of health work in the 17 years preceding the Cultural Revolution. They branded the cadres as 'capitalist roaders' and slanderously claimed 'doctors are bourgeois and nurses are revisionist!'"

"The party Central Committee headed by Chairman Hua unequivocally pointed out: On the whole, Chairman Mao's revolutionary line predominated in health work in the 17 years preceding the Cultural Revolution. The masses of cadres and people strenuously and energetically did their work. Achievements were the main thing in their work." This important instruction greatly inspired the medical and health personnel. High in spirit and firm in determination, they pledged to make more contributions to this worthy cause.

Much progress has been made in medical service, teaching and scientific research. "Working in cooperation with concerned units, the Peking Municipal Institute of Oncology successfully developed and built an electronic linear accelerator for medical use, thus filling a void in the area of medical instruments in China. Juichin Hospital in Shanghai performed a miracle in successfully saving a patient who had burns covering 100 percent of the body and had third-degree burns on 94 percent of the body. The Chinese Academy of Medical Sciences in the main completed 95 key state scientific research projects in 1977. At present, the Ministry of Public Health and various provinces, municipalities and autonomous regions have all formulated plans for health work and set goals for the next 3 years, 8 years and 23 years."

Since last year, cooperative medical service has been further consolidated and developed in the countryside. The training of barefoot doctors has also been stepped up. Urban hospitals are places where the damage done by the "gang of four" is most serious. Over the past year, the masses of medical and health personnel have gradually resolved the issues of right and wrong which had been reversed by the "gang of four." Shantung Province organized more than 100 persons to conduct a general survey of hospitals at and above the prefectoral level in the province and, afterwards, convened a provincial conference on hospital work and named more than a dozen model hospitals.

Led by the Central Committee's leading groups for local diseases in northern regions and for the prevention of schistosomiasis in southern regions as well as by party committees at all levels, different localities have made headway in the mass movement to eliminate pests and diseases and scored new successes in the control of local diseases and in anti-epidemic and health work. Last year the incidence of infectious diseases throughout the country was down by 20 percent. The death rate for local diseases also dropped." Vigorous efforts were also made to grasp maternal and child care and family planning.

In the struggle to expose and criticize the "gang of four," health departments at all levels relentlessly criticized the gang's allegation that "rectification means restoration" and made strenuous efforts to straighten themselves out. This expedited the development of health work.

The class alignment was clarified in the main after investigation of the people and events connected with the conspiratorial activities of the "gang of four" to usurp party and state power was carried out. Leading bodies have been reorganized and strengthened. Rational rules and regulations are gradually being established and improved.

"After the gang's bourgeois factional network in the Ministry of Public Health was smashed in the great struggle to expose and criticize the 'gang of four,' health departments of different localities all conducted investigations and recouped the power of control over medical and health work which had been taken away from them. The party also strengthened its leadership over health work."

"Party leadership has played an important part in making the strategic policy decision on grasping the key link in running the country well yield initial success in 1 year on the health front. In order to achieve marked success in 3 years, we still have to effectively strengthen party leadership over health work."

"With great joy, the leading comrade of the Ministry of Public Health looked ahead into 1978. He said 1978 will be an important year for achieving marked success in 3 years in grasping the key link of class struggle and bringing about great order across the land. We must continue to hold high the great banner of Chairman Mao, follow the line of the 11th National CCP Congress, continue to take exposure and criticism of the 'gang of four' as the key link and conscientiously implement the policies of gearing our work to the needs of the workers, peasants and soldiers, putting prevention first, combining Chinese and Western medicine and integrating health work with mass movements. In medical and health work, we must firmly place the stress on the rural areas. Meanwhile, we must do a good job of health work in factories and mines and in the cities. In the coming year we must continue to vigorously grasp the work of rectification and do a better job of consolidating and building rural medical and health networks as well as medical and health establishments in factories and mines and in the cities. In accordance with Chairman Mao's teachings, we must fight a large-scale people's war to eliminate pests and diseases under the leadership of party committees in order to raise the health standards of the people. We must energetically conduct scientific research, speed up the pace of combining Chinese and Western medicine and conduct medical education well. We must do a better job of family planning and maternal and child care. In order to carry out these tasks, the Ministry of Public Health and health departments at all levels must resolutely reform their work style, go down to grassroots units and among the masses, strengthen investigation and study, conscientiously sum up experience and lessons, vigorously grasp models and do our work in a down-to-earth way. In short, under the firm leadership of the party Central Committee headed by Chairman Hua, we must fight in unity, win greater victories in 1978 and strive to achieve marked success in health work."

PEOPLE'S DAILY ACCLAIMS TIENSIN PORT'S SUCCESS

HK160625Y Peking PEOPLE'S DAILY in Chinese 10 Jan 78 p 2 HK

[Untitled Editor's Note to a newsletter by PEOPLE'S DAILY reporter Li Chien [2621 5409]: "Staff Members and Workers of Tientsin Port Work With Ever Greater Joy and Constantly Set New Loading and Unloading Records"]

[Text] The lid on the class struggle at the Tientsin Port Bureau which had been tightly held down for 11 months was lifted and the struggle to expose and criticize the "gang of four" immediately made rapid, vigorous and healthy progress. [paragraph continues]

The staff and workers held their heads high, worked with ever greater joy and constantly set new loading and unloading records. They fulfilled the volume of goods planned to be handled last year at the port 48 days ahead of schedule. The facts show that in order to make all-out efforts and fast progress, we must grasp the key link of exposing and criticizing the "gang of four." The basic reason for achieving initial success last year lies in that we tightly grasped this key link. The basic guarantee for achieving great success in 3 years also lies with continuing to grasp the key link of exposing and criticizing the "gang of four." This year will be an important year for achieving great success in the next 3 years and in grasping the key link in running the country well. Let us continue to firmly and properly grasp the key link of exposing and criticizing the "gang of four" in the new year.

PEOPLE'S DAILY STRESSES TAPPING POTENTIALS

HK160200Y Peking PEOPLE'S DAILY in Chinese 6 Jan 78 p 2 HK

[Untitled Editor's Note to the newsletter by PEOPLE'S DAILY reporter Yeh Chien-yun [5509 0494 7301]: "A Model of High Speed--Kailuan Coal Mine Blazes a Trail in Doubling Output and Achieving Greater, Faster, Better and More Economical Results in Developing Production"]

[Text] How can high speed development of production in existing enterprises be achieved? The experience of Kailuan coal mine indicates that the road to achieving greater, faster, better and more economical results is to tap the potentials and practice reform and transformation. The design capacity of the Kailuan coal mine is an annual output of 12.6 million tons, but they spent just 6 years carrying out reforms and transformations and raised the annual coal output to 25.6 million tons. One Kailuan has done the work of two. It is apparent that our enterprises should ask themselves: Under the guidance of Chairman Hua's strategic policy decision on grasping the key link in running the country well, are we based on the existing foundation and taking the tapping of latent capacity, reformation and transformation as the major course to achieve greater, faster, better and more economical results? Comrades of those enterprises which have been in operation for many years but have still not reached the design capacity should ask themselves: Could we catch up with and surpass the design capacity within a short period of time? If we asked ourselves such questions, we will certainly be able to achieve our lofty aspirations and goals in fighting vigorously for socialism and to develop the economy at high speed.

CORRECTION TO LIBERATION ARMY DAILY CRITICISM OF 'LEFTISTS'

In the item entitled "LIBERATION ARMY DAILY Calls for Criticism of 'Leftists,'" published in the 20 January People's Republic of China DAILY REPORT, E 1, the thirteenth line of the first paragraph on Page E 4 should read: "...everything," we must not equate false appearance...

COUNTY IN ANHWEI CRITICIZES GANG'S LOCAL FOLLOWER

HK230750Y Hefei Anhwei Provincial Service in Mandarin 1100 GMT 21 Jan 78 HK

[Summary] The Feitung County CCP Committee recently held a rally to penetratingly expose and relentlessly criticize the crimes of the gang of four's agent and black ace general in our province in holding the so-called "provincial conference on exchanging experiences in education in the party's basic line" in Feitung, also known as the so-called "Feitung conference," in forcefully promoting the so-called "Feitung experience," in frenziedly sabotaging the movement to promote education in the party's basic line, in vigorously pushing the counterrevolutionary political program and in actively coordinating with the gang of four's conspiracies to usurp party and state power. When the black ace general was brought to the rally, the 100,000 participants were excited and furious.

"Under the guidance of spirit of the first national conference on learning from Tachai in agriculture, Feitung County conducted education in the party's basic line and whipped up an upsurge in vigorously criticizing capitalism and revisionism and in promoting socialism in a big way. In 1976 the gang of four's agent in our province, with secret criminal intent, sneaked into Feitung 11 times. Through the confidant whom he planted in the Feitung County party committee, he vigorously tampered with the contents and orientation of education in the party's basic line in Feitung County and acted on his own. He sabotaged education in the party's basic line and turned the county into a well-known 'major disaster area.' The masses of cadres and people suffered profoundly from him."

The gang of four's agent and black ace general in our province instructed the confidant to hold an exhibition in order to introduce their so-called experiences. Nearly 1 million people came to the county to visit and study.

"What is even worse is that in the name of the provincial party committee, he approved the so-called 'Feitung experience,' which was concocted by them and plotted the Feitung conference which forcefully promoted the Feitung experience. Their pernicious influence was spread throughout the province and their threat and harm were very great. We must thoroughly expose and criticize them."

"On 10 February 1976, the gang of four's agent in our province sneaked into Feitung for the first time. After seeing an exhibition held by (Sungching) commune, he ordered that the photograph of Vice Chairman Teng--who delivered a speech at the first national conference on learning from Tachai in agriculture--be taken down.

"On 18 April the gang of four's agent in our province sneaked into Feitung for the second time. After listening to the introduction of the movement to promote education in the party's basic line and seeing an exhibition, he immediately loosened his tongue and said: 'Your exhibition should include an item on counterattacking the rightist wind to reverse verdicts.'

"On 22 April the gang of four's agent and black ace general personally led the comrades who attended a meeting for secretaries of the prefectural and municipal CCP committees which was held by the provincial party committee to visit an exhibition held in Feitung. He also said ferociously: 'counterattacking the rightist wind to reverse verdicts is the most lively and specific movement to promote education in the party's basic line. To grasp the movement to promote education in the party's basic line, we must closely combine counterattacking the rightist wind to reverse verdicts with the movement to promote education in the party's basic line!'

In introducing the so-called "experience" to more than 1 million people, the confidant whom the gang of four's agent in our province planted in the county party committee fabricated facts to slander our respected and beloved Vice Chairman Teng.

During the first 10 days of June 1976, the gang of four's agent in Anhwei sneaked into the (Pailung) district of Feitung County. He questioned the county party committee and the leadership comrades of the propaganda force in the district about not grasping the capitalist roaders. He also said ferociously: "The key point is to grasp the capitalist roaders inside the party."

"Between 11 and 20 June the gang of four's agent in our province deliberately called the No 1 and No 2 men of the Feitung County party committee to the provincial party committee and told them ferociously: 'Now I put forward a very acute issue to Feitung. That is, how to further deepen education in the party's basic line. You people should not just handle those embezzlers, grafters and speculators. The most important thing is to grasp the bourgeoisie inside the party and the capitalist roaders. He also put forward three key points in grasping the capitalist roaders. The three key points involved those at and above the commune level, inside the party and who assumed power.'"

During the last 10 days of June the gang of four's agent in our province delivered three black reports at the Feitung conference and shouted at the top of his voice: "We must grasp capitalist roaders and the bourgeoisie inside the party." The confidant whom they planted in the Feitung County party committee was particularly active and delivered reports everywhere. He wantonly labelled and bludgeoned the revolutionary cadres.

In 1975 he sold excess grain which resulted in a shortage of rations for some commune members. However, he put it the other way, babbling: "I have been cheated by the big and small capitalist roaders." He labeled a great number of basic-level cadres as capitalist roaders.

"The materials which the confidant whom the gang of four's agent in our province planted in the Feitung County party committee prepared in 1976 for his participation in the national forum of progressive counties in learning from Tachai in agriculture indicate that the county dragged out a total of 109 so-called 'capitalist roaders' from the upper to the lower levels. They also carried out a big reshuffle, seized leadership groups and usurped power. Out of the 11 secretaries of production brigades of the (Fucheng) commune, 8 were replaced. Of the 60 cadres of the production brigade party branch committee, more than 30 were replaced. At one time they recruited 32 people as communists and suddenly promoted them to cadres."

The so-called "Feitung experience" concocted by the gang of four's agent, the black ace general, and confidants in our province is a counterrevolutionary operational knife which cut into the whole province. As soon as the Feitung conference began, the gang of four's agent said: "This is a very important conference." He particularly emphasized: "The Feitung experience is worth promoting." The gang of four's black ace general also said: "The key point of Feitung County is to drag out the capitalist roaders inside the party. This will greatly influence and push forward the whole province." This fully and clearly proves that they wanted to use the Feitung experience--the counterrevolutionary operational knife--to perform a big operation on the whole province.. Once the conference concluded, many places throughout the province suffered greatly from it.

The masses of cadres and people in Feitung County are determined to thoroughly expose the inside story of the Feitung conference, to get a good grasp on the crucial point of the Feitung experience and to relentlessly expose and criticize it.

LITERATURE-ART SITUATION IN KIANGSI DISCUSSED AT FORUM

HK220830Y Nanchang Kiangsi Provincial Service in Mandarin 1100 GMT 20 Jan 78 HK

[Summary] "On 19 January the editorial department of KIANGSI LITERATURE AND ART invited some provincial and municipal literary and art creation and theory study workers to attend a forum. The forum seriously studied and discussed wise leader Chairman Hua's recent brilliant inscription for PEOPLE'S LITERATURE 'Adhere to Chairman Mao's revolutionary literary and art line, implement the principle "let a hundred flowers bloom and let a hundred schools of thought contend" and struggle to make socialist literary and art creations prosper!'"

The participants in the forum deeply felt that Chairman Hua's inscription has held high Chairman Mao's great banner and further and clearly charted a course and target for our country's socialist literary and art cause. They indicated they will not disappoint Chairman Hua's concern and hope, will adhere to Chairman Mao's revolutionary literary and art line and create more great works to greet a new upsurge in the construction of socialist literature and art.

As a result of study and discussion, the literary and art workers have profoundly understood that Chairman Hua's brilliant inscription is a powerful ideological weapon for fighting the literature and art front well and for exposing and criticizing the gang of four. In their speeches the comrades thoroughly exposed and criticized the reactionary essence of the "theory of the dictatorship of a black line in literature and art" dished up by the gang of four and furiously indicted the gang of four for destroying the literary and art cause and for dealing blows at and persecuting literary and art workers.

"The participants at the forum, in connection with the situation in Kiangsi, reviewed the changes and development of the literature and art front during the 17 years after the founding of our country. They used many lively facts to prove that our province's literary and art creations have scored great achievements under the guidance of Chairman Mao's revolutionary literary and art line. The force of literary and art workers has developed and strengthened continuously in the struggle and created many good and comparatively good literary and art works. All these facts fully indicate that adhering to Chairman Mao's revolutionary literary and art line is a fundamental guarantee for developing the socialist literary and art cause."

Comrade (Wang Chih-min), deputy director of the Propaganda Department of the provincial CCP committee, spoke at the forum.

PREVIOUSLY BANNED KUN CHU OPERA PERFORMED IN NANKING

OW210748Y Peking NCNA In English 0715 GMT 21 Jan 78 OW

[Text] Nanking, 21 Jan 1978 (HSINHUA)--Banned by the gang of four for 10 years, "Fifteen Strings of Cash", a famous play in the 400-year-old Kun Chu opera form, is now being staged here by the Kiangsu Kun Chu Opera Theatre.

This play was popular in the late 1950's and helped bring back the Kun Chu opera form which, originated in the 17th century, had almost died out before liberation. Much of the Kun Chu music, arias and dance have been assimilated and preserved in Peking Opera.

"Fifteen Strings of Cash" was adapted from a romance of the Ching Dynasty (1644-1911). The plot centers around the trial of a criminal case. The owner of a butcher shop was murdered. A subjectivist judge passes the death sentence on two innocent young people, but the real criminal is still at large. Another Judge investigates among the masses and discovers the real murderer.

I. 23 Jan 78

64

PRC
EAST REGION

"Fifteen Strings of Cash" incisively criticizes the subjectivism and praises the scientific attitude of investigating and seeking truth from facts. The opera brings to life diverse types of characters, particularly the gambler, Lou the mouse, the real criminal. A superb clown plays this part in the Kun Chu opera. The play shows the dispositions, psychology and style of the two judges who take diametrically opposite stands.

Chairman Mao attended two performances of "Fifteen Strings of Cash" in 1956, and said it was a "good play." Premier Chou En-lai attended a forum on the play that year. He said that through this play classic Kun Chu opera art shone with new radiance. Thus, a classic opera could also play a very good educative role in the present day.

Kun Chu opera occupies a position in the history of Chinese classical and local opera, literature and music. "Fifteen Strings of Cash" was staged under the guidance of Chairman Mao's principle of "weeding through the old to bring forth the new". It is a successful attempt to make traditional art better serve the needs of the people today.

"Fifteen Strings of Cash" was filmed, translated into six foreign languages and performed abroad.

SU CHEN-HUA PRESIDES AT SHANGHAI REVOLUTIONARY COMMITTEE PLENUM

OW220651Y Shanghai City Service in Mandarin 0000 GMT 21 Jan 78 OW

[Excerpts] The first plenum of the newly formed Shanghai Municipal Revolutionary Committee was held 18 and 19 January. The plenum was attended by Su Chen-hua, chairman of the Shanghai Municipal Revolutionary Committee; Peng Chung, second vice chairman; Chou Chun-lin, Lin Hu-chia, Wang I-ping, Han Che-i, Chen Chin-hua, Chao Hsing-chih, and Yang Fu-chen vice chairmen; and by committee members.

Acting as observers at the plenum were vice chairmen and Standing Committee members of the Shanghai Municipal CPPCC Committee, Shanghai delegates to the Fifth NPC, responsible persons of the Shanghai municipal party and revolutionary committees, departments, offices, bureaus, districts and counties. More than 490 persons attended the plenum.

Comrade Su Chen-hua presided over the plenum and presented an important speech. Comrade Chen Chin-hua delivered a report on the implementation of Shanghai Municipality's 1977 economic plan and the initial arrangements for implementing the 1978 plan. Comrade (Chin Yuan-chi) delivered a report on Shanghai Municipality's 1977 financial situation and 1978 budget. The two reports were discussed by the comrades attending the plenum. Comrade (Kuan Tzu-chan) was appointed president of the Shanghai Municipal Higher People's Court.

Tremendous changes have taken place in Shanghai since the "four pests" were eliminated. In 1977 the working class and 10 million people in Shanghai held high Chairman Mao's great banner, fought in unity, and achieved great victory and initial success in implementing Chairman Hua's strategic policy decision on grasping the key link and running the country.

Successful implementation of the industrial production plan has led to steady production increases. In 1977 Shanghai registered an 8.6 percent increase in total industrial output value over 1976. It also recorded a considerable increase in the output of oil drilling equipment, equipment for powerplants, coal mining equipment, synthetic fiber, synthetic plastics, and synthetic rubber. Increasing production in these fields is of great concern to Chairman Hua and the party Central Committee. In 1977, Shanghai's

revenue and labor productivity were, respectively, 11.6 percent and 6.4 percent higher than in 1976. Communications and transportation sector plans broke the previous record. State quotas were overfulfilled by Shanghai departments in charge of domestic and foreign trade. Investment in capital construction produced greater results than expected. Sixteen major construction projects financed by the state and Shanghai were fulfilled ahead of schedule.

The plenum reviewed and summed up Shanghai's experience in implementing economic work over the past year. Cadres have learned to distinguish between the principle of grasping revolution and promoting production on the one hand and the theory of productive forces on the other; between the effort to accumulate funds and the effort to put profits in command; between the supervision of financial work and the revisionist practice of controlling, checking and oppressing workers; between subordination to the centralized and unified leadership of the party Central Committee and the practice of direct and exclusive control of enterprises by the ministry concerned; between the practice of being frugal and economizing and the practice of "settling only economic and not political accounts;" and between those who are both Red and expert and those who put professional knowledge in command. The drawing of these demarcation lines between right and wrong has encouraged vast numbers of cadres to boldly grasp revolution and promote production and to play a significant role in accumulating funds for building socialism.

The plenum adopted a plan for Shanghai to carry out in 1978 that is based on Comrade Peng Chung's report to the first session of the Seventh Shanghai Municipal People's Congress entitled "The Objectives of Tasks to Be Fulfilled in the Future."

Efforts must be made by the Shanghai to rapidly develop industrial and agricultural production, to rapidly carry out capital construction projects, and to accumulate funds without delay. Rapid progress must be made in finance, trade, urban development, science, technology, education, culture, public health and other fields. Workers on these fronts must achieve new breakthroughs and scale new peaks.

The plenum emphasized that the present task of primary importance to the people of Shanghai is to carry the great struggle to expose and criticize the gang of four through to the end. It is necessary to rectify what was turned upside down by the gang of four with regard to questions of right and wrong in line, ideology, theory, and policy. Only by doing so can the vast numbers of cadres and people smash the trammels of the gang of four that shackle their minds and make rapid progress in production. At the same time we must continue to concentrate efforts on investigating cases and individuals associated with the gang in order to completely destroy their bourgeois factional setup. We must closely coordinate the struggle to expose and criticize the gang of four with the mass movements to learn from Taching in industry and learn from Tachai in agriculture. We must introduce the experiences of Taching and Tachai to the industrial and agricultural fronts and other sectors of the national economy. Vigorous efforts must be made to carry out technical innovations and revolution. Industrial enterprises must display a daring spirit to catch up with and overtake local advanced units and surpass advanced national and world levels. Great efforts must be made to strengthen economic work, the management of enterprises and other economic sectors.

Shanghai Municipal Revolutionary Committee members attending the plenum unanimously pledged to continue their efforts and to advance from one victory to another in the year to come. They are determined to carry the third campaign to expose and criticize the gang of four to a successful conclusion. They also pledged to be activists in building socialism in a big way and trailblazers in accomplishing the four modernizations. They promised to do still a better job in all fields of work in Shanghai and take practical actions to welcome the opening of the Fifth NPC and the national science conference.

I. 23 Jan 78

PEOPLE'S REPUBLIC OF CHINA
CENTRAL-SOUTH REGION

H 1

HUPEH HOLDS ARMY-PEOPLE GATHERING 19 JAN

HK210630Y Wuhan Hupeh Provincial Service in Mandarin 1100 GMT 20 Jan 78 HK

[Summary] On 19 January, the Hupeh provincial and Wuhan municipal revolutionary committees and the Wuhan PLA units held a gathering to support the army and cherish the people for the 1978 new year and spring festival. Yang Te-chih, commander of the Wuhan PLA units; Li Cheng-fang, first commissar of the Wuhan units, and Chen Pi-hsien, second secretary of the Hupeh Provincial CCP Committee and first vice chairman of the Hupeh Provincial Revolutionary Committee, attended the gathering.

Also present were Kung Ching-te, Lin Wei-hsien, Chou Shih-chung, Wu Jui-shan, Hsian Yung-yin, Chen Fa-hung, Cheng Chih-shih, Hsieh Tang-chung, Min Hsueh-sheng, Pan Chen-wu, and Lei Chi-yun, leading comrades of the Wuhan PLA units; leading comrades of the leadership organs and air force of the Wuhan units, Hupeh Military District, the artillery of the Wuhan units, and military schools in Wuhan; Han Ning-fu, Wang Ko-wen, Ku Ta-chun, (Jen Chung-lin), Chang Hsiu-lung, Jao Hsing-li, Wang Pu-ching, Hsueh Tan, Chiao Te-hsiu, Chang Chin-hsien, Wang Li-pin, Hsia Shih-hou, Liu Hui-mung, Hsu Tao-chi, Lin Shao-nan and Hao Kuo-tao, leading comrades of the provincial CCP and revolutionary committees; Wang Chao-chu and Chen Ai-o, member and alternate member of the Central Committee, respectively; Hu Chin-kuei and Tao Shu-sheng, vice chairmen of the Hupeh Provincial CPPCC Committee; and leading comrades of the provincial organs, the mass organizations, Wuhan municipal CCP and revolutionary committees, and Wuhan Garrison. Comrade Ku Ta-chun, secretary of the Hupeh Provincial CCP Committee and acting first secretary of the Wuhan Municipal CCP Committee, presided.

Comrade Chen Pi-hsien spoke first at the gathering. After extending greetings to the participants and outlining the current fine situation, he praised the great achievements of the PLA since its founding and continued: "We must support the PLA in carrying out revolutionization and modernization, support the PLA units stationed in the province in carrying out all their combat readiness tasks, truly learn from, cherish and support the PLA, further strengthen the unity of army and government and army and people, and consolidate the dictatorship of the proletariat."

Comrade Li Cheng-fang also spoke. He said: In the past year, under the leadership of Chairman Hua, the party Central Committee and the Central Military Committee, the Wuhan PLA units have scored initial success in grasping the key link in running the army well. Their mental state has undergone a profound change and their fighting strength has been greatly enhanced. These achievements are inseparable from the support and help of the local party committees and the masses. I express sincere thanks for this. We must go all out to score still greater achievements in the new year.

HUPEH DELEGATION ARRIVES IN KWANGTUNG

HK210700Y Canton Kwangtung Provincial Service in Mandarin 0430 GMT 21 Jan 78 HK

[Summary] A Hupeh Provincial delegation arrived in Canton on 20 January to convey that province's experiences and inspect and guide work in Kwangtung. The delegation, led by Chang Yu-hua, secretary of the Hupeh Provincial CCP Committee, consists of over 80 persons, including leading comrades from agriculture, industry and communications, planning, finance and trade, propaganda and education, science, political and legal organs, and the provincial military district. They were welcomed at the station by Chiao Lin-i, Kuo Jung-chang, Wang Chuan-kuo, Chang Ching-yao, Liang Hsiang, Wang Ning, Li Chien-an, Li Chia-jen, Su Ko-chih, Ho Chih-feng, Tu Chen-hsiang, and Chou Ting, responsible comrades of the Kwangtung provincial CCP and revolutionary committees and military district and Canton municipal CCP and revolutionary committee. Last May, representatives of Hupeh and Kwangtung unfolded revolutionary friendly emulation at the National Learn-From-Taching Conference.

In July, Kwangtung sent a delegation to Hupeh to learn their experiences. In the past 6 months, the people of the two provinces have learned from each other and vigorously unfolded emulation. A forum was held on 20 January, at which the leading comrades of the two provinces introduced their experiences. Chiao Lin-i, secretary of the Kwangtung Provincial CCP Committee and vice chairman of the Kwangtung Provincial Revolutionary Committee; Kuo Jung-chang, secretary of the provincial CCP committee; and Li Chien-an, vice chairman of the provincial revolutionary committee, introduced the experiences of Kwangtung in various aspects.

Comrade Chang Yu-hua then introduced the valuable experiences of Hupeh. He said: Work in Hupeh has made comparatively rapid progress, especially since the smashing of the gang of four, who caused extremely serious sabotage there. By the end of 1977, the province had 32 million mu of stable and high-yielding farmland, 57 percent of the arable area. The total power used in agriculture was 500 percent greater than in 1965. Some 33 percent of the arable area was machine-plowed. From 1970 to 1976, grain production rose by an average of 4.9 percent annually. Last year, the grain harvest was again fairly good despite serious natural disasters. In industry, since last April, we have started to reverse the situation of stagnation or even decline of production. The total value of output last year was 180 percent greater than in 1965. From 1965 to 1977, the value grew by an average of 9.6 percent annually. Good successes have been scored on all other fronts. The province has carried out vigorous exposure and criticism of the gang of four and their confederates and tightly grasped investigation work. Beginning on 21 January, the Hupeh delegation will split into groups by fronts to exchange experiences with their opposite numbers in Kwangtung and will also visit various parts of the province.

CANTON CPPCC COMMITTEE HOLDS MEETING

HK220416Y Canton Kwangtung Provincial Service in Mandarin 0430 GMT 20 Jan 78 HK

[Summary] On 17 January, the Fourth Canton Municipal CPPCC Committee held its 12th enlarged Standing Committee meeting. The Standing Committee members attending the meeting seriously studied Chairman Hua's speech at the fourth enlarged Standing Committee meeting of the Fourth National People's Congress and Vice Chairman Yeh's speech at the seventh enlarged Standing Committee meeting of the Fourth National CPPCC Committee. They studied the spirit of the sessions of the Fifth Kwangtung People's Congress and the Fourth Kwangtung CPPCC Committee. They discussed the current work of the Canton Municipal CPPCC Committee. The meeting was attended by 51 Standing Committee members. (Lo Fei-yuan) and (Lin Chih-cheng), vice chairmen of the Fourth Municipal CPPCC Committee, attended and spoke at the meeting.

The participants in the meeting declared: "We must continue to work hard. We must by no means disappoint Chairman Hua's and the party Central Committee's earnest hopes." They unanimously held: "We must actively organize and help people of all circles continue to penetratingly expose and criticize the gang of four and fight the third battle well. We must actively help and organize people of all circles to study Marxist-Leninist and Chairman Mao's works and promote transformation of their world outlook. We must seriously study, propagate and implement the spirit of the sessions of the Fifth Kwangtung Provincial People's Congress and the Fourth Kwangtung Provincial CPPCC Committee. We must help people of all circles take an active part in socialist construction. We must help the party and government propagate and implement the party's various proletarian policies and mobilize still better all positive factors to serve the socialist cause." Responsible comrades of the Canton Municipal CPP Committee attended and spoke at the meeting. They declared: "In active response to the call of the Fifth Provincial People's Congress and the Fourth Provincial CPPCC Committee, people of all circles must work well at their own battle posts and make contributions to the struggles to liberate Taiwan and to oppose the two hegemonies of the Soviet Union and the United States. We must greet the holding of the Fifth National People's Congress and the Fifth National CPPCC Committee with practical actions."

I. 23 Jan 78

H 3

PRC
CENTRAL-SOUTH REGION

The meeting was attended without power to vote by responsible persons of the Canton committees of the Kuomintang Revolutionary Committee, the China Democratic League, the China Democratic National Construction Association, the China Association for Promoting Democracy, the Chinese Peasants and Workers Democratic Party, the China Chih Kuang Tang and the Taiwan Democratic Self-Government League; by responsible persons of the Kwangtung and Canton federations of industry and commerce associations, the municipal consultative office and the municipal cultural and historic center; by celebrities of the municipal scientific, technological, cultural, education and public health circles, returned Overseas Chinese, minority nationalities and religious circles; by patriots without party affiliation; and by responsible comrades of the United Front Work Department of the Provincial CCP Committee and various departments, committees and offices of the Municipal CCP committee--31 people altogether.

KWANGTUNG PROMOTES SPRING FARMING PREPARATIONS

HK220600Y Canton Kwangtung Provincial Service in Mandarin 0430 GMT 20 Jan 78 HK

[Summary] On 19 January, the Kwangtung Provincial Revolutionary Committee issued a telephone circular on grasping spring farming preparations seriously and well. The circular demands: "Revolutionary committees at all levels must firmly grasp the key link of exposing and criticizing the gang of four, strengthen leadership, carry out measures and, without missing the opportunity, do a good job of current spring farming preparations."

The circular first emphatically points out that the spring farming season has now come and the rural areas must regard farming preparations as the central work. Hainan must do its best to grasp transplanting and spring cultivation well. "All places must firmly grasp the key link of exposing and criticizing the gang of four, penetratingly carry out the activities of 'one criticism and two strikes,' develop the excellent situation of last year's bumper, late-rice harvest, carry out year end distribution and fully mobilize the masses' socialist activism. They must quickly whip up an upsurge of spring farming, actively create favorable water, soil and manure conditions, tap agricultural potential for increasing production, overcome all difficulties and strive to reap an even bigger bumper harvest this year."

The circular demands that revolutionary committees at all levels grasp the following work well:

1. It is essential to make preparations for combatting and preventing natural disasters. At present, we must continue to combat and prevent drought and try in all possible ways to solve the problem of water for use in spring transplanting. We must adopt resolute measures for combating drought and transplanting. Water should be used in a planned way. The masses must be mobilized to open up the source and regulate the flow. We must continue to firmly grasp damming rivers and streams and dig wells and ponds. In farmland capital construction, we must give priority to grasping water conservancy projects for spring farming well. We must make use of February weather--low temperatures and overcast skies--to create artificial rainfall.

2. It is necessary to vigorously collect manure. We must tend winter-sown green manure well to increase its production. We must protect animals from cold weather. Where there is water, we must cultivate Zaolia. Along the coast, we must collect fertilizers extracted from the sea. From now on, the great majority of the labor force for farmland capital construction must be used to produce and collect manure. In accordance with their own conditions, all prefectures and counties must work out plans for collecting manure.

3. It is imperative to protect seedlings from cold weather and to grow healthy seedlings. We must quickly supply seeds to places which lack them. We must carefully rake seedling fields and apply sufficient base manure. Every production team must set up "seedling-growing" groups and promptly sow seeds and grow healthy seedlings. We must also eliminate insect pests and plant diseases. Departments concerned must deliver and supply plastic sheets, agricultural chemicals and chemical fertilizers to meet the needs of protecting seedlings from cold weather and of growing seedlings.

4. We must tend winter-sown crops to insure a bumper harvest. The province's winter-sown areas this year are some 400,000 mou larger than last year. All places must firmly grasp field management.

5. We must vigorously grasp the last-stage farmland capital construction and rounding off of its projects to insure that a larger number of projects can be operated in cultivating early rice this year.

6. We must vigorously strengthen leadership over agricultural production. Leaders at all levels must grasp spring farming preparations. It is essential to seriously implement the party's various rural policies. We must particularly carry out yearend distribution and implement the policy "from each according to his ability, to each according to his work." All departments and trades must make new contributions to reaping a big bumper harvest this year.

KWANTUNG COUNTY IMPROVES GRAIN DISTRIBUTION WORK

HK220625Y Canton Kwangtung Provincial Service in Mandarin 0430 GMT 21 Jan 78 HK

[Summary] The Jaoping County CCP Committee has carried out careful investigation and study and has a good grasp of grain distribution work. Last year, due to serious natural disasters, early rice production declined compared with the previous year, but the late rice output was up by 29 percent.

After the autumn harvest, the county CCP committee convened a meeting of commune party committee secretaries and of cadres engaged in management work. The communes and farms held study courses for cadres to expose and criticize the gang of four's crimes in sabotaging distribution work and map out measures for the work. The county CCP committee also organized work teams consisting of 180 cadres transferred from banks and other units and sent them to various rural units to help to launch the masses to work out distribution plans.

The county CCP committee has made different arrangements in the light of the varying circumstances of different communes and brigades. "In the case of brigades and production and where the peasants' level of rations is comparatively high, while insuring that the peasants' level of rations is increased, they have urged everyone to sell more surplus grain and make greater contributions to the state to make up for the shortfall caused by the need for some production teams to reduce their grain delivery quota. In the case of communes and brigades with many people and little land, where the early rice was hit by drought and production fell and arrangements for rations are rather tight even though they reaped a bumper late rice harvest, the county CCP committee has persisted in not procuring an excessive amount of grain, helped them to reduce various irrational retentions of grain, and arranged the peasants' rations well."

As a result of doing this work well, all places in the county have increased income, distribution, accumulation, and contributions to the state. After fulfilling its state grain delivery quota, the county sold 186,000 piculs of surplus grain to the state, the collective reserves increased, and the level of the peasants' rations rose.

HAINAN ISLAND COMMUNE DOES WELL IN DISTRIBUTION

HK220700Y Haikow Hainan Island Regional Service in Mandarin 0430 GMT 20 Jan 78 HK

[Summary] "In carrying out yearend distribution work, the party committee of (Fengwu) commune in Wenchang County correctly handled the relation between the state, the collective and the individual and persisted in implementing the socialist principle of 'from each according to his ability, to each according to his work.'

"Last year all of the commune's 63 production teams realized increased output, bumper harvests and ample distribution. On the average, every person received 110 yuan in cash through distribution, which means a 10-yuan increase as compared with 1976. The commune's total income and its contributions to the state and its distribution last year all topped previous peaks."

Since 1971, the commune party committee led the masses of cadres and people to unswervingly follow the Tachai road. The commune's per-mou grain output surpassed the target set by the national program for agricultural development and surpassed 1,000 catties for 7 years.

The economic undertakings of the commune's production teams include rubber, sugarcane, peanuts, cattle, ducks, pigs and freshwater culture of fish.

"The commune's total income last year amounted to 1.97 million yuan which means a 20 percent increase as compared with 1976. (Nanling) brigade's total income last year amounted to 627,551 yuan. The income of diversified economic undertakings accounted for 38 percent of the total income." "Last year, (Nanling) brigade offered 1.98 million catties of grain to the state, which means an increase of 640,000 catties as compared with 1976. The brigade's collective accumulation increased by 21 percent compared with 1976. On the average, every commune member received 115 yuan through distribution, which means a 13-yuan increase compared with 1976."

In developing collective production, (Fengwu) commune paid attention to reducing production cost. According to statistics, last year the commune's cost of buying chemical fertilizer decreased by 10 percent compared with 1976. Its production cost decreased by 8 percent. It also saved 180,000 catties of seeds.

Last year, (Chingpo) brigade achieved a new development of collective production. However, it saved 15,690 yuan in production costs. During the yearend distribution, the brigade's average per capita income increased by 12 yuan.

The average per capita income of the commune's 10 less advanced production teams increased by 10 to 15 yuan compared with 1976.

HUNAN CAPITAL CONSTRUCTION CONFERENCE OPENS

HK230655Y Changsha Hunan Provincial Service in Mandarin 1100 GMT 21 Jan 78 HK

[Summary] "The Hunan conference of the capital construction front on learning from Taching convened by the Hunan Provincial Revolutionary Committee solemnly opened in Changsha on 21 January." Present at the conference were the representatives of various progressive units, collectives and individuals on the capital construction front in learning from Taching, and of various units, collectives, workers and technicians who have made outstanding achievements in science and technology; and the responsible comrades of various provincial, prefectural, municipal and county revolutionary committees and capital construction departments, and of various central, provincial, prefectural, municipal and county enterprises and units, 1,500 people in all. The conference was held at the Hunan theater.

I. 23 Jan 78

H 6

PRC
CENTRAL-SOUTH REGION

"Wan Ta, Sun Kuo-chih, Chao Chu-chi, Tung Chih-wen, Chang Wen-kuang and Shih Yu-chen, responsible comrades of the Hunan provincial CCP and revolutionary committees, attended the conference. At 0900, Comrade Sun Kuo-chih, secretary of the Hunan Provincial CCP Committee and vice chairman of the provincial revolutionary committee, announced the opening of the Hunan conference of the capital construction front on learning from Taching. Comrade Wan Ta, secretary of the Hunan Provincial CCP Committee and vice chairman of the provincial revolutionary committee, delivered the opening speech."

Comrade Wan Ta said: "In this conference, we must deal with the question of developing the national economy at a high speed and unfold a mass study, discussion and (?inquiry). Since the smashing of the gang of four, Chairman Hua and the party Central Committee have repeatedly emphasized the need to quicken the development of the national economy. Recently, the central authorities also promulgated two brilliant works by great leader and teacher Chairman Mao, 'China Is Going To Make A Great Stride Forward' and 'A Letter on the Question of Farm Mechanization.' These are strong ideological weapons for developing the national economy at a high speed.

"The question of how to quicken the speed of the development of the national economy is a big question which concerns the people throughout the country and in Hunan."

Comrade Wan Ta said: "In order to develop capital construction at a high speed, we must deepen the movement to learn from Taching in industry. Just as the people in Taching, we must persist in the party's basic line and implement the task of consolidating the dictatorship of the proletariat down to the basic levels." We must exert every ounce of energy in developing revolution and ceaselessly scale new heights. We must strive to work hard with self-reliance, ceaselessly carry out technical innovation and revolution and strive to surpass the progressive levels at home and abroad.

KWANGSI CIRCULAR LISTS FORESTRY TASKS

HK230250Y Nanning Kwangsi Chuang Regional Service in Mandarin 1100 GMT 21 Jan 78 HK

[Circular on Unfolding Afforestation Issued 19 January by Kwangsi Regional Revolutionary Committee]

[Summary] In order to implement Chairman Hua's important instruction on afforestation and whip up a new upsurge of afforestation work, we issue the following directive:

1. Expose and criticize the gang of four and stimulate the development of forestry. "At present, in fighting the third campaign of exposing and criticizing the gang of four, we must in connection with reality criticize their crimes of sabotaging the principle of taking grain as the key link and insuring all-round development, sabotaging the party's rural economic policies and sabotaging forestry production. We must motivate the masses to deal blows at class enemies who incite people to cut down trees indiscriminately and wastefully." It is necessary to do a good job of building up the forests, implement the party's policies on forestry and set up and put on a sound basis systems of management. We must uphold the state's and collective's right of ownership of the forests, mobilize the masses' activism for afforestation and speed up the pace of afforestation.

2. We must be clear about the orientation for the main effort. In accordance with the demands put forward by the Fourth Kwangsi Regional Party Congress, we must grasp timber and industrial forests, mainly cedars, and vigorously develop tea-oil forests. Places short of timber should do a good job of working out plans. In high and remote mountains, we should grow timber forests, and in low and nearby mountains we should promote industrial forests and orchards. We should actively plant all kinds of trees, for timber, industrial, fruit and medicinal purposes. We must do a good job of planting trees around houses and villages and along roads and rivers and also in urban areas and around factories, mines, farms, offices, schools, PLA units, and reservoirs. We must do a good job of sealing off the mountains to cultivate young forests.

3. We must insure that afforestation is of high quality. We must do a good job of running state-owned and commune and brigade nurseries and practice scientific afforestation. Everything possible must be done to raise the survival rate of trees. Communes and brigades should do a good job of running forestry farms, and these should be set up wherever possible. "We must do a good job of protection against forest fires, commend and encourage people who have done well in forestry protection and deal severely with those who destroy forests."

4. The key to making a success of afforestation lies in strengthening leadership. "Since the 1971 National Forestry Conference, over which Chairman Hua personally presided, a number of counties, communes and brigades in Kwangsi have met the forestry target stipulated in the National Agricultural Development Program. This is the result of the leadership seriously grasping the work. On the other hand, in some places, leadership has been negligent, afforestation has proceeded slowly, quality is poor, the rate of tree survival is low and achievements are minimal. Some places have cut down many trees but planted few. Forest renewal there cannot keep pace with tree-felling. This state of affairs must be rapidly transformed." Leadership at all levels must therefore put forestry and agriculture in a position of equal priority and grasp it as a fundamental issue. They must score great achievements in the work this year.

"We must implement the party's forestry policies and implement the policy of 'trees planted by the state belong to the state, trees planted by the commune belong to the commune, trees planted by the brigade belong to the brigade, and trees planted around their houses by the peasants belong to the peasants' and handle well forest rights and distribution work."

Around the time of the spring festival, all places must launch and rely on the masses to fight a people's war of afforestation. Let us whip up a new upsurge of spring afforestation.

I. 23 Jan 78

PEOPLE'S REPUBLIC OF CHINA
SOUTHWEST REGION

J 1

SZECHWAN PARTY LEADERS ATTEND FINANCE-TRADE CONFERENCE

HK220300Y Chengtu Szechwan Provincial Service in Mandarin 2140 GMT 18 Jan 78 HK

[Summary] The Szechwan finance and trade conference on learning from Taching and Tachai has fulfilled its tasks and concluded victoriously on the afternoon of 17 January. Some 3,000 delegates attended the conference. During the conference, the delegates studied Chairman Mao's works "A Giant Stride Will Appear in China," the New Year's Day editorial of the two newspapers and one journal of the central authorities "A Bright China," and the relevant articles on finance and trade learning from Taching and Tachai, listened to and discussed the report of Wang Li-chih, secretary of the Szechwan Provincial CCP Committee, exchanged experiences in learning from Taching and Tachai, formulated plans on learning from Taching and Tachai and studied finance and trade tasks for 1978.

In accordance with Chairman Hua's instructions on launching emulations, Ipin and Neichiang prefectures, Loshan and Wenchiang prefectures, Yaan and Hsichang prefectures and various units in the prefectures have launched socialist emulation; they will all strive to be promoters of a new leap forward in the national economy. The delegates also visited the science and technology achievement exhibition of the finance and trade system in Szechwan and attended the performances of the skills of the staff and workers on the finance and trade front in Chengtu Municipality.

They pointed out: "This conference is a mobilization rally for doing a good job of 'one criticism and two rectifications,' fighting well the third battle to expose and criticize the gang of four, pushing forward our province's movement of finance and trade on learning from Taching and Tachai to a new stage, enabling finance and trade work to achieve a new leap forward, fully implementing the new fighting tasks put forward by Chairman Hua and the party Central Committee and developing the excellent situation in our province's revolution and construction. This conference is also an oath-taking rally for closely following the party Central Committee's strategic plan on grasping the key link in running the country well, resolutely implementing the general fiscal principle 'develop the economy, insure supplies' and making contributions to rapidly developing the national economy and realizing the four modernizations earlier."

"Also present at the concluding ceremony of the conference were Chao Tzu-yang, first secretary of the Szechwan Provincial CCP Committee and chairman of the provincial revolutionary committee; Hsu Shih, Wang Li-chih, Tu Hsin-yuan and Lu Ta-kung, secretaries of the provincial CCP committee; Chang Li-hsing, Standing Committee member of the provincial CCP committee, and Kuan Hsueh-ssu and Yang Ju-tai, vice chairmen of the provincial revolutionary committee. Comrade Kuan Hsueh-ssu, vice chairman of the provincial revolutionary committee, presided over the ceremony."

The conference's letter of salute to Chairman Hua and the party Central Committee was read out at the ceremony. The letter of salute was adopted by all the participants to the conference. Chao Tzu-yang, first secretary of the provincial CCP committee, said in his speech:

[Begin recording] "Comrades, this provincial conference of finance and trade on learning from Taching and Tachai will be victoriously concluded today. On behalf of the provincial CCP and revolutionary committee, I express my warm congratulations. This conference went very well.

"The whole conference has been imbued with the energetic revolutionary atmosphere of big increase and rapid progress. This unprecedented grand conference of the finance and trade front is bound to bring about a still larger scale and steadier upsurge in a big leap forward and with still greater results.

"At present we are facing a new period of development in socialist revolution and construction. In the new situation the target for struggle of our province is, under the leadership of the party Central Committee headed by Chairman Hua, to resolutely implement the line of the 11th National CCP Congress, work up full drive, aim high, fight hard for 8 years and struggle to build our province into a consolidated strategic rear base of the motherland. In realizing this objective of struggle, finance and trade work occupies a very important position. To make a success of socialist commodity circulation, make a success of the accumulation and distribution of funds, support agricultural and industrial production, make proper arrangements for markets in the cities and countryside and make proper arrangements for the people's daily life is very important for achieving a rapid development of the national economy, realizing the four modernizations, strengthening the worker-peasant alliance and consolidating the dictatorship of the proletariat. Therefore, to make a success of finance and trade work is an important content of implementing Chairman Hua's strategic policy decision on grasping the key link in running the country well and a major issue that concerns the overall situation. Like the socialist production of workers and peasants, socialist commerce is a lofty revolutionary cause that also serves the people. The commerce staff and workers are an integral part of the working class. Commodity circulation is both natural and correct and is respected by everyone.

"We must continue to criticize all kinds of slanders of the gang of four against finance and trade work, eradicate their remnant poison and influence, resolutely overcome erroneous views of regarding finance and trade work as [words indistinct] and attaching little importance to it. The staff and workers on the finance and trade front must clearly understand their glorious and great responsibilities, hold firm to exposure and criticism of the gang of four--the key link--resolutely implement the general principle of developing the economy and insuring supplies and, give full play to the functional role of the finance and trade departments. They must also effectively support industrial and agricultural production, be the promoters of a rapid development of the national economy, strive to improve the quality of service, wholeheartedly serve the people and be (?servants) of the people.

"Staff and workers on the finance and trade front must resolutely deal blows at the capitalist forces, consolidate and develop the socialist economy and consolidate the dictatorship of the proletariat. Party committees at all levels must strengthen their leadership over finance and trade work, promote industrial and agricultural production, actively give priority to grasping finance and trade--the bridge--and learn to 'play the piano.' While grasping industrial and agricultural production well, we must make a success of finance and trade--the key task [words indistinct] to do this job well, it truly requires us to grasp well exposure and criticism of the gang of four--the key link [words indistinct].

"Under the unified leadership and organization of party committees at all levels, we must organize specialized forces and do a good job of rectifying the finance and trade system in batches and groups and grasp 'criticize one thing and rectify two' in finance and trade units and deeply and thoroughly integrate them. Party committees at all levels must include finance and trade work in their agenda and appoint persons to specially manage and cultivate a definite number of backbone elements to do a good job of finance and trade work.

I. 23 Jan 78

J 3

PRC
SOUTHWEST REGION

"Comrades, taking part in this conference are several thousand representatives of progressive units and progressive workers from the finance and trade fronts. They have elected 57 Taching- and Tachai-type units and 19 revolutionary pacesetters in learning from Taching and Tachai. They are examples for us to learn from. Cadres and staff and workers of finance and trade units must seriously launch [word indistinct] movement, follow the examples of progressive units and progressive individuals, be resolute, truly learn well from the fundamental experiences of Taching and Tachai and learn with high quality.

"Progressive units and progressive individuals must give play to their roles as the backbone elements, the bridge, the models and the leading force, guard against arrogance and rashness, determinedly continue the revolution, unite forever and make new contributions.

"All comrades must follow Chairman Hua's instructions on conducting emulation in this great revolutionary movement, extensively launch the socialist revolutionary emulation so as to see who does better in serving production and serving the people's daily life, see whose level is higher in managing enterprises, see whose contribution to the state is higher, enable progressives to be still more progressive, enable backward units to catch up with progressives and struggle arduously to achieve the four modernizations, and build our province into a consolidated strategic rear base of the motherland.

"Comrades, on the basis of grasping the key link in running Szechwan well and achieving initial success in 1977, in 1978 we must hold high Chairman Mao's banner, unite still more closely around the party Central Committee headed by Chairman Hua, realize the complete fulfillment of our province's tasks, fulfill and overfulfill national economic plans so as to enable our province's various fronts to take on a new outlook and reach a new level and truly (?make a still greater contribution)." [end recording]

With the approval of the provincial CCP and revolutionary committees, the conference awarded 57 Taching- and Tachai-type units and 19 pacesetters in learning from Taching and from Tachai for their outstanding achievements.

Conference Cable to Hua

HK220715Y Chengtu Szechuan Provincial Service in Mandarin 2140 GMT 20 Jan 78 HK

[Cable of salute from the delegates to the Szechuan finance and trade conference on learning from Taching and Tachai to Chairman Hua and the party Central Committee, dated 17 January 1978]

[Excerpt] Esteemed and beloved Chairman Hua and the party Central Committee: Amid the excellent situation of the whole country celebrating the great victory in making preliminary achievements in 1 year in grasping the key link in running the country, entrusted by the million staff and workers on the finance and trade front in Szechuan and filled with the joy of victories and combat resolution, we attended the Szechuan conference on learning from Taching and Tachai in finance and trade.

With the warm concern of the Szechuan Provincial CCP Committee, we restudied the important works of great leader and teacher Chairman Mao on finance and trade work, studied your important instructions and those of the party Central Committee headed by you and summed up and exchanged experiences in learning from Taching and Tachai in the past year. We have been profoundly educated and greatly encouraged and have been injected with tremendous strength.

Esteemed and beloved Chairman Hua, in the past year, under your wise leadership and that of the party Central Committee headed by you, Szechwan, which gravely suffered from the gang of four, has quickly been transformed from great chaos to great order. Good news has frequently been reported from various fronts. There was a bumper harvest and a large-scale increase in industrial output. A transformation, which is of important significance, has also occurred in finance and trade. It has shaken off the label of "consuming imported grain" caused by the interference and sabotage of the gang of four.

We have made new achievements in various financial and trade tasks and the situation is excellent. This is a great victory for Chairman Mao's proletarian revolutionary line and the strategic policy decision of grasping the key link in running the country put forward by you.

Esteemed and beloved Chairman Hua: With your leadership and that of the party Central Committee headed by you, our country has entered a new stage of historical development. You called on the whole party to build China into a powerful, modern socialist country within this century and to realize the cause left behind by great leader Chairman Mao and esteemed and beloved Premier Chou. Szechwan is the great strategic rear of the motherland and it shoulders important responsibility in this great march. We, the million staff and workers on the finance and trade front in Szechwan, will certainly unite very closely around the party Central Committee headed by you, resolutely implement the line of the 11th CCP Congress and, under the leadership of the Szechwan Provincial CCP Committee, struggle hard for 8 years with the idea of high speed with the enthusiasm of a great leap forward and the spirit of "seizing the day" and make more contributions to building Szechwan into a reliable strategic rear base by 1985 and to quickening the building of the powerful modern socialist country.

Conference Letter of Proposal

HK230350Y Chengtu Szechwan Provincial Service in Mandarin 2140 GMT 20 Jan 78 HK

[Letter of proposal by representatives attending the Szechwan conference on learning from Taching and Tachai in finance and trade to all comrades on the finance and trade front in Szechwan--date not given]

[Summary] We, the 900 representatives from all trades on the finance and trade front in Szechwan, honorably attended the Szechwan conference on learning from Taching and Tachai in finance and trade. It was a conference of unprecedented scale. "With great excitement and resolution, we restudied the brilliant works of great leader and teacher Chairman Mao on finance and trade work, studied the important instructions of wise leader Chairman Hua and the party Central Committee and the circular of the State Council on holding the national conference on learning from Taching and Tachai in urban and rural commerce, listened to the speeches and reports of the leading comrades of the Szechwan Provincial CCP Committee and exchanged progressive experiences in learning from Taching and Tachai."

"This year is an important year for grasping the key link in running the country and making great achievements in 3 years. An upsurge of economic and cultural construction has been laid in front of us. The grand plan of struggling for 8 years to build Szechwan into a consolidated strategic rear base, of the motherland and the combat tasks of realizing a great leap forward in the national economy in 1978 put forward by the Szechwan Provincial CCP Committee have manifested the common desire of the people throughout Szechwan."

We will certainly strive to realize the targets of struggle for 8 years for the finance and trade front in Szechwan put forward by the Szechwan Provincial CCP Committee, resolutely fulfill various finance and trade tasks this year and make still greater contributions to the rapid development of the national economy in Szechwan. We hereby put forward the following proposals:

1. Seriously study Marxist-Leninist works and Chairman Mao's works and completely and accurately understand and master the system of Mao Tsetung Thought;
2. Carry the struggle to expose and criticize the gang of four through to the end. We must continue to firmly grasp and do a good job of investigation work and resolutely smash the bourgeois factional system thoroughly and completely. "We must give free rein to the masses and, in connection with reality in the finance and trade front, criticize capitalism, bourgeois factionalism and anarchism and oppose extravagance and waste;"
3. Seriously do a good job in rectifying the party, work style and finance and trade enterprises. "We must first do a good job of rectifying leadership groups." "We must be determined and exert great efforts to seriously do a good job of rectifying the administration of enterprises. We must persist with socialist orientation, carry out the principle of running enterprises with diligence and thrift, strengthen economic auditing, enlarge socialist accumulation, establish, put on a sound basis and strictly implement various rules and regulations and enhance the running and administration of finance and trade enterprises to a new level. We must work hard to practice the fundamental techniques of the business, vigorously pursue technical innovation and revolution and ceaselessly enhance the level of service and labor productivity;"
4. Promote the development of industrial and agricultural production with great enthusiasm. "We must first boost agricultural production and firmly establish the idea of taking agriculture as the foundation. We must run finance and trade revolving around agriculture and do a good job of finance and trade to promote agriculture;"
5. Rack our brains to do a good job with market supplies and with arranging the livelihood of the masses. "We must continue to strengthen the administration of urban and rural markets, deal blows at capitalist forces, rectify the market and fair trade in the countryside and organize the circulation of commodities strictly in accordance with state plans. We must resolutely oppose and resist the improper work style of the commodities 'going through the backdoor' and consolidate and enlarge the socialist unified markets. We must also make great efforts to improve the manner of service and to enhance the quality of service;" and
6. Resolutely respond to Chairman Hua's great call of "we must also learn from Taching and Tachai in finance and trade" and "let us launch an emulation" and further whip up a new upsurge in the mass movement to learn from Taching and Tachai in finance and trade.

SZECHWAN DAILY Editorial

HK210745Y Chengtu Szechwan Provincial Service in Mandarin 2140 GMT 19 Jan 78 HK

[SZECHWAN DAILY Editorial: "Grasp the Key Link and Let Everything Else Fall Into Place, Achieve a New Leap Forward in Financial and Trade Work--Warmly Hailing the Successful Conclusion of the Provincial Conference on Learning From Taching and Tachai in Finance and Trade"--date not given]

[Summary] Our provincial conference on learning from Taching and Tachai in Finance and Trade has concluded successfully. The conference raised high Chairman Mao's great banner, deeply exposed and criticized the gang of four, commended progressives, exchanged experiences, formulated plans and put forward a new target for endeavor. We warmly hail the successful conclusion of the conference.

"Szechwan is a great strategic rear area of the motherland. In his work report to the fifth provincial people's congress, Comrade Chao Tzu-yang called on the people throughout the province to struggle hard for 8 years and build our province into a firm and stable strategic rear base of the motherland. He put forward a great blueprint for achieving a great leap forward for our province's national economy between this year and 1985.

"Financial and trade work is an important front of the socialist revolution and construction. It occupies a major position and shoulders an important mission in the high-speed development of the national economy and in the great struggle to build our province into a firm and stable strategic rear base of the motherland. The staff and workers on the finance and trade front are the component of the working class. The total labor of the production of society cannot go without the labor of the staff and workers on the finance and trade front. Thus, the masses of staff and workers on the finance and trade front throughout the province must fully understand this and further strengthen their sense of glory and responsibility of making a success of financial and trade work. They must firmly foster the ideology of high-speed development, quicken the pace, march forward in triumph and achieve a new leap forward in financial and trade work.

"In order to achieve a new leap forward in financial and trade work, we must further penetratingly and extensively conduct the mass movement to learn from Taching and Tachai in finance and trade. Taching and Tachai are the two red banners which were personally raised by great leader Chairman Mao. Wise leader Chairman Hua has called on us to learn from Taching and Tachai in finance and trade.

"In the year since the smashing of the gang of four, the mass movement to learn from Taching and Tachai in finance and trade in our province has developed continuously. A number of Taching and Tachai-type units and pace setters in learning from Taching and Tachai and a great number of progressive units and workers in learning from Taching and Tachai have emerged in our province. However, we must realize that our province's movement to learn from Taching and Tachai in finance and trade has not been conducted as extensively and penetratingly as the mass movements to learn from Taching in industry and Tachai in agriculture. It has also developed in a very uneven way. Thus, we must strengthen leadership and continuously enhance our understanding of the significance of learning from Taching and Tachai in finance and trade."

Taching and Tachai are the brilliant models for persisting in continuing the revolution under the dictatorship of the proletariat. The fundamental experiences of Taching and Tachai are also the fundamental experiences of making a success in finance and trade. Unfolding the movements to learn from Taching and Tachai is necessary for doing a good job of financial and trade work. We must seriously learn from the fundamental experiences of Taching and Tachai.

"At present the main contents of the movement to learn from Taching and Tachai in finance and trade are to follow the unified plan of the provincial party committee, get a good grasp on the key link of exposing and criticizing the gang of four and seriously do a good job of criticizing one thing and striking at two. Criticizing one thing and striking at two are in line with learning from Taching and Tachai. Getting a good grasp on the key link of exposing and criticizing the gang of four, conducting education on the party's basic line, criticizing capitalism, bourgeois factionalism and anarchism, opposing extravagance and waste, rectifying the party and work style, straightening out leadership groups, staff and workers and enterprise management and setting up and perfecting rules, regulations and systems are the fundamental experiences of Taching and Tachai and the specific contents of criticizing one thing and striking at two."

In doing a good job of fighting the third campaign of exposing and criticizing the gang of four, we must get a good grasp on the several problems stemming from the gang of four's deepest and most extensive pernicious influence on the finance and trade front. We must vigorously and penetrately carry out our criticism and distinguish between right and wrong. We must relentlessly criticize their fallacies and crimes in sabotaging socialist production and the circulation of commodities, disrupting the centralized and unified management of socialist economy, sabotaging efforts to improve service and dealing blows at the capitalist forces. We must thoroughly criticize their fallacies and crimes and eliminate their pernicious influence.

"In criticizing one thing and rectifying two, the most important task is to do a good job of rectifying the party and the leadership groups of all departments and units, particularly financial and trade departments at and above county level. We must also get a tight grasp on investigation and the struggle to deal blows at the sabotage activities of class enemies and at the capitalist forces. We must dig out those deeply hidden class enemies, embezzlers, grafters and speculators. We must succeed in eliminating all evils and in leaving no hidden danger. We must further consolidate the socialist financial and trade position."

In order to develop the economy we must develop industrial and agricultural production. At the same time we must also develop finance and trade. Only in developing in an all-round way can we guarantee supply and demand.

"Agriculture is the foundation of the national economy. In our province, agriculture--the foundation--is still very weak. If we do not accelerate agricultural development, we cannot achieve high-speed development of the national economy. We must follow Chairman Mao's teaching and use 90 percent of our energy to help peasants increase production. In this aspect, we have created many good experiences and many progressive models have emerged. We can make great contributions to promoting the greater and faster development of agriculture if we seriously sum up and promote them.

"We must vigorously support industrial production, particularly the development of light industrial production. We must assist enterprises in increasing output, improving quality, lowering production costs, turning losses into profits and accumulating more for the state.

"While vigorously promoting the development of production, we must follow Chairman Mao's teachings and the many instructions of Chairman Hua, show concern for the people's living standard and make good arrangements for urban and rural markets. We must continue to relentlessly grasp improving the attitude and quality of service and wholeheartedly serve the people. We must extend the party's concern to the hearts of the people.

"The key link of conducting the movement to learn from Taching and Tachai in finance and trade and of achieving a new leap forward in financial and trade work lies in strengthening party leadership. Party committees at all levels must strengthen leadership over the movement to learn from Taching and Tachai in finance and trade in the same way as they lead the movements to learn from Taching in industry and Tachai in agriculture. They must learn from the Ministry of Petrochemical Industry and thoroughly improve the leadership style and the work style. It is necessary to revive and restore the party's fine tradition work style. We must organize striking at one thing and rectifying two and learning from Taching and Tachai in finance and trade as one unified movement. We must get a good and tight grasp until we have scored achievements."

I. 23 Jan 78

J 8

PRC
SOUTHWEST REGION

YUNNAN METALLURGICAL WORKERS HAIL HUA'S INSCRIPTION

HK191350Y Kunming Yunnan Provincial Service in Mandarin 1100 GMT 18 Jan 78 HK

[Summary] On 17 January over 800 staff and workers of the provincial metallurgical industry bureau went to the airport to warmly greet the arrival of the enlarged copy of wise leader Chairman Hua's brilliant inscription written for the national learn-from-Taching conference of the metallurgical industry. They also warmly greeted the return of this province's representatives who attended the national metallurgical conference.

The staff and workers of the No 1 [words indistinct] of the provincial metallurgical industry bureau solemnly held a rally on the same day to warmly celebrate Chairman Hua's inscription written for the metallurgical industry.

"Attending the celebration rally were Comrade Chao Tseng-i, deputy secretary of the Yunnan Provincial CCP Committee; responsible comrades of the provincial Planning Commission; responsible comrades of some provincial bureaus; and responsible comrades of the industry, communications and political departments of the Kunming Municipal CCP Committee."

"Comrade (Sun Kuang-pi), member of the party group of the metallurgical industry bureau and deputy director of the bureau's Political Department, read out wise leader Chairman Hua's brilliant inscription written for the metallurgical industry."

"Comrade (Wang Wu-lieh), leader of this province's delegation to the national learn-from-Taching conference of the metallurgical industry, deputy secretary of the party group of the provincial metallurgical industry bureau and vice chairman of the bureau's revolutionary committee transmitted the spirit of the national learn-from-Taching conference of the metallurgical industry.

"Comrade (Chen Le), deputy secretary of the party group of the metallurgical industry bureau and vice chairman of the bureau's revolutionary committee, spoke at the rally."

Comrade (Chen Le) said: Chairman Hua's brilliant inscription greatly encouraged the 10 million staff and workers on the national metallurgical front and their families. Chairman Hua's inscription is a powerful motive force for catching up with or surpassing the United States before the end of the century. We must strive to quicken the pace of the development of Yunnan's metallurgical industry. We fulfilled or overfulfilled last year's various plans, including steel, iron, steel product, nonferrous metal, capital construction and technical survey, and we turned a deficit into profit. We must whip up a new upsurge in energetically studying, propagating and implementing Chairman Hua's brilliant inscription. We must firmly grasp the key link of exposing and criticizing the gang of four, thoroughly smash the bourgeois factionalist network, do a good job of fighting the third round of the battle to expose and criticize the gang of four, deepen the mass movement to learn from Taching in industry, and make new contributions to realizing a great leap forward in the metallurgical industry.

"Also speaking at the rally were representatives of the delegation to the national learn-from-Taching conference of the metallurgical industry, the No 3 metallurgical mine in Yunnan, the Kunming iron and steel plant, the institute of (?Kueichihso), and the No 14 metallurgical construction company."

They unanimously said: We must raise the great banner of Chairman Mao, uphold the line of the 11th CCP Congress, use wise leader Chairman Hua's brilliant inscription as a powerful motive force, deepen the exposure and criticism of the gang of four, immediately whip up a new upsurge in energetically studying, propagating and implementing Chairman

Hua's brilliant inscription, deepen the mass movement to learn from Taching in industry, develop the metallurgical industry at high speed and with high quality and strive to build our country into a great, powerful and modern socialist state before the end of the century.

"Comrade Chao Tseng-i, deputy secretary of the Yunnan Provincial CCP Committee, spoke at the rally. He encouraged the masses of staff and workers on the provincial metallurgical front to conscientiously study, propagate and implement Chairman Hua's brilliant inscription. He encouraged them to use Chairman Hua's brilliant inscription as a motive force, deepen the exposure and criticism of the gang of four, strive to quicken the pace of the development of this province's metallurgical industry, work well in the 8 decisive years and make new and still greater contributions to building our country into a great, powerful and modern socialist state.

"In accordance with the directive of the Ministry of Metallurgical Industry, the rally presented the enlarged copy of wise leader Chairman Hua's brilliant inscription written for the metallurgical industry to the Yunnan Provincial CCP Committee."

YUNNAN PARTY-GOVERNMENT COMFORT LETTER TO PLA UNITS

HK221645Y Kunming Yunnan Provincial Service in Mandarin 1100 GMT 20 Jan 78 HK

[Summary] The Yunnan Provincial CCP and revolutionary committees, have issued a comfort letter to PLA units stationed in Yunnan, martyrs' and servicemen's dependents, disabled, demobilized and retired servicemen and soldiers who have changed their occupation throughout the province.

After extending festive greetings and affirming the great achievements scored by all fronts throughout the country in 1977, the letter says: "Like other localities throughout the country, the situation in our province is also excellent. Under the warm concern of the party Central Committee headed by Chairman Hua, armymen and people throughout the province have been grasping the key link in running the army, deeply exposing and criticizing the gang of four and, in connection with the situation in Yunnan, investigating the people and events connected with the gang of four's conspiratorial activities to usurp party and state power. We have smashed the bourgeois factional network, exposed and criticized the gang of four's counterrevolutionary revisionist line and changed the bad situation caused by the serious sabotage of the gang of four. Industrial and agricultural production and other work have developed rapidly and the whole province is marching forward toward great order."

Praising the great contributions of the Chinese PLA to the Chinese revolution and people, the letter says: "When the gang of four were in power, the CCP Committee and masses of commanders and fighters of PLA units stationed in Yunnan resolutely implemented Chairman Mao's proletarian revolutionary line and the instructions of the party Central Committee, withheld the gang of four, maintained the stability of PLA units and scored great achievements. In the long revolutionary struggle and in the great struggle to smash the gang of four, PLA units stationed in Yunnan and the people's armed police force showed their high political awareness and, working with the people throughout the province, made great contributions to consolidating the dictatorship of the proletariat, to protecting the southwestern frontier of our motherland and to supporting the socialist revolution and construction in our province. They are deeply trusted by the people of all nationalities throughout the province."

I. 23 Jan 78

J 10

PRC
SOUTHWEST REGION

The dependents of martyrs and servicemen, disabled, demobilized and retired servicemen and soldiers who have changed their occupation in our province have also made great contributions to exposing and criticizing the gang of four, to the movements to learn from Taching and Tachai and to socialist revolution and construction.

"The year 1978 is an important year for achieving great success in grasping the key link in running the country. In the new year we must continue to hold high the great banner of Chairman Mao, closely follow Chairman Hua and the party Central Committee, resolutely implement the line of the 11th National CCP Party Congress and strive to achieve the combat tasks of grasping the key link in running the country.

"We must continue to tightly grasp exposure and criticism of the gang of four as the key link and, using Marxism-Leninism-Mao Tsetung Thought as the weapon, fight the third battle of exposing and criticizing the gang of four well. We must deeply expose and criticize the ultrarightist nature of the gang of four's counterrevolutionary revisionist line and its manifestations in all aspects and eliminate their pernicious influence. We must continue to tightly grasp investigation work and strive to score a complete victory in the struggle to expose and criticize the gang of four.

"We must do a good job of rectifying the party and work style, strengthen the party's ideological and organizational building, strengthen the revolutionarized building of the leadership groups and revive and carry forward the party's fine traditions and work style.

"We must deeply conduct the mass movements to learn from Taching in industry and Tachai in agriculture, rapidly develop the national economy, develop various kinds of techniques that are helpful to the development of culture, education, science and technology and health and others so as to fulfill in an all-round way the state's plans with greater, faster, better and more economical results.

"We must strengthen the revolutionarized and modernized building of the army, strengthen the building of the militia, strengthen the joint defense between the army and the people and strengthen unity between the army and government and the army and the people. People throughout the country must learn from the Chinese PLA and the Chinese PLA must learn from the people. We must build the southwestern frontier of our motherland into a strong fortress. We must liberate Taiwan."

CORRECTION TO REPORT ON YUNNAN AGRICULTURAL MACHINERY PRODUCTION

In the brief entitled "Yunan 'Support-Agriculture' Industry" appearing on page J 4 of the 17 January DAILY REPORT, the figure for chemical fertilizer production in the penultimate line should be changed from 48.2 to 78.2 percent.

BRIEFS

TIBET WHEAT STRAIN--Lhasa, Jan 16--The Agricultural Research Institute in Jihkatse, Tibet, succeeded in breeding a new strain of spring wheat, which yielded 12.486 tons per hectare on an experimental plot. The new strain, called Jihkatse No 12, is bred by crossing a local fine strain with the second generation of a hybrid between another strain and an imported one. Assessment on the experimental plot shows that the variety bears an average of 42 kernels to each spike and the combined weight of one thousand kernels is 56.09 grams, about one-third heavier than the wheat strains commonly planted in China's interior provinces. In the past 21 years since its founding, this institute has produced 20 fine strains of wheat, barley, rape and other crops, which give high yields in the high, cold areas of Tibet, Tsinghai, Kansu and the Sinkiang Uighur Autonomous Region. [Peking NCNA in English 0704 GMT 16 Jan 78 OW]

HOPEI REVOLUTIONARY COMMITTEE, CPPCC STANDING COMMITTEE MEET

Revolutionary Committee Plenum

OW222108Y Shihchiachuang Hopei Provincial Service in Mandarin 2330 GMT 20 Jan 78 OW

[Text] The Hopei Provincial Revolutionary Committee held its first plenum from 13 to 15 January. The session conscientiously relayed and studied the important instruction which wise leader Chairman Hua made when he inspected Tangshan on New Year's Day. Participants heard and discussed a report by Lan Kai-min, vice chairman of the provincial revolutionary committee, on the state of the national economy in 1977 and the national economic plan for 1978 and a report by Hung I, vice chairman of the provincial revolutionary committee, on the current market situation and the supply and distribution of commodities for the spring festival. The session also appointed Lu Chih-kuo as president of the Hopei Provincial Higher People's Court. Comrade Liu Tsu-hou, chairman of the provincial revolutionary committee, addressed the session.

Participants unanimously pointed out that Chairman Hua has set a brilliant example for us by visiting the mining areas and workshops when he inspected Tangshan during the New Year's festival, thus showing his concern for the masses and his in-depth investigation and study of the actual situation. His inspection showed kind concern and great encouragement for people throughout the province. Chairman Hua's important instruction made in Tangshan emphatically points out that revolutionization is most important. The session stressed that we must penetringly understand and earnestly implement this instruction.

Fostering a proletarian ideology and style is an important component of revolutionization for leading bodies. In the struggle to expose and criticize the gang of four we must, in light of the actual situation, relentlessly criticize their grave crimes in undermining the fine traditions and work style of the party. We must resolutely oppose the desire for pleasure, isolation from reality and the masses--ignoring their burdens and hardships--and the evil practices of deceit, extravagance and waste. We must vigorously revive and carry forward the mass line, the practice of seeking truth from facts, democratic centralism, criticism and self-criticism, plain living and hard work and the fine traditions and work style of our party.

An important aspect of revolutionization of leading bodies is persistent participation in collective productive labor. This is a major event within the socialist system. Cadres at the county, commune and brigade levels must persistently take part in physical labor for 100, 200 and 300 days each year, respectively. Accordingly, cadres in factories, mines and enterprises, on other fronts and in all trades and professions must adopt the system of cadre participation in collective productive labor.

The session pointed out that the 1978 national economic plan for our province has been made in accordance with a number of important instructions by Chairman Hua and the party Central Committee, with the requirements for achieving marked success in grasping the key link and running the country well in 3 years and with our actual situation. This positive plan is in line with the spirit of rapidly developing the national economy and can be realized with vigorous efforts.

Participants pledged to grasp the situation and work energetically in order to accelerate the development of the national economy in our province and strive for achieving marked success in grasping the key link and running the country well in 3 years.

I. 23 Jan 78

K 2

PRC
NORTH REGION

CPPCC Standing Committee

OW222127Y Shihchiachuang Hopei Provincial Service in Mandarin 2330 GMT 20 Jan 78 OW

[Text] The Standing Committee of the Fourth Hopei Provincial CPPCC Committee held its first meeting in Shihchiachuang Municipality from 13 to 15 January. All members of the Standing Committee of the Fourth Provincial CPPCC, except for those who were ill or unable to attend because of personal business, attended the meeting. Responsible personnel of the united front work departments of all municipal and prefectoral party committees and patriotic democratic parties in the province also attended. Comrade Liu Tzu-hou, chairman of the provincial CPPCC Committee, presided over the meeting.

The meeting conscientiously studied the important instruction which wise leader Chairman Hua made when he inspected Tangshan on New Year's day and Vice Chairman Yeh's important speech at the enlarged seventh session of the Standing Committee of the Fourth National CPPCC Committee. Comrades participating in the meeting also attended the first plenum of the provincial revolutionary committee.

The participants pledged to closely follow the strategic plan of the party Central Committee headed by wise leader Chairman Hua and, under the leadership of the provincial party committee, rely on and mobilize the public masses to hold high Chairman Mao's great banner, adhere to the line of the 11th National CCP Congress, consolidate the dictatorship of the proletariat, strengthen the grand unity of people of all nationalities and further develop the united front led by the working class and based on the worker-peasant alliance--a united front which embraces patriotic democratic parties, patriotic personages, compatriots in Taiwan, Hong Kong and Macao and our countrymen overseas.

It is necessary to unite all forces that can be united, mobilize all positive factors, quicken the pace of socialist revolution and construction and strive to achieve the goal of building our province into an agricultural base with high and stable yields as well as an industrial province with its own characteristics and with a harmonious development of agriculture and light and heavy industries by 1985.

Chang Cheng-hsien, vice chairman of the provincial CPPCC committee, spoke at the meeting.

INNER MONGOLIA MILITARY ISSUES CIRCULAR ON UNITY

SK220102Y Huhehot Inner Mongolia Regional Service in Mandarin 1100 GMT 20 Jan 78 SK

[Text] The Political Department of Inner Mongolia Military District recently issued a circular regarding the campaign to support the government and cherish the people during the 1978 spring festival. The circular pointed out that in order to further strengthen the unity between the army and the government and further carry forward the army's fine tradition, it is necessary to extensively and deeply unfold a campaign of supporting the government and cherishing the people among PLA units and organs concerned during the period of the 1978 spring festival. The circular stated that, in the course of the campaign for supporting the government and cherishing the people, it is necessary to grasp the key link of struggle against the Wang-Chang-Chiang-Yao gang of four, sincerely do a good job in fighting the third campaign for exposing and criticizing the gang of four, clarify the right and wrong between the two lines, and actively and constantly do a good job in the work of supporting the government and cherishing the people.

I. 23 Jan 78

K 3

PRC
NORTH REGION

The circular also demanded that cadres and fighters should be urged and organized to earnestly study Chairman Mao's instructions on the purpose, tasks and character of army building as well as on the campaign of supporting the government and cherishing the people, to sincerely study a number of Chairman Hua's directives on grasping the key link in running the army well, and to carry forward the traditional education in the three main rules of discipline and the eight points for attention. Bearing in mind the actual events of their units, they should deeply expose and criticize the Wang-Chang-Chiang-Yao gang of four for their crimes in undermining the army's fine tradition and further wipe out their pernicious influence so as to bring about stronger unity among the army, the government and the people.

The circular asked that PLA units throughout Inner Mongolia make efforts to support the movements for learning from Tachai and Taching and give material and labor support to places in need under the unified leadership of local party committees. Militia departments should actively urge the militia forces to play their role as commandos in the mass movements of learning from Tachai and Taching. The circular also asked that, under the unified leadership of the local party committees at various levels, PLA units do a good job in disaster prevention and relief work for the disaster-stricken areas and extensively seek opinions from government and party personnel as well as the people of brigades, communes, mining and industrial enterprises in the areas in which they are stationed by inviting people or visiting a unit. Efforts should be made to urge cadres and fighters to do good deeds for the masses, actively participate in the joint celebration of the festival period with government and party personnel, family members of revolutionary martyrs and servicemen and the people in the neighborhood and carry out comfort activities as well. It is also necessary to renew pledges of the campaign for supporting the government and cherishing the people, to sincerely study and resolutely follow the party's nationalities policy, to strengthen unity among the various nationalities, and to make concerted efforts to effectively safeguard and build our frontier.

The circular demanded that, in the course of the campaign for supporting the government and cherishing the people, earnest efforts be made to exercise stronger leadership over the work--which should be carried out enthusiastically and simply--of carrying forward the army's fine tradition of hard work, plain living, practicing rigid economy and strictly forbidding extravagance and waste.

INNER MONGOLIA 'TAIWAN COMPATRIOTS' HOLD FORUM

SK231005Y Huhehot Inner Mongolia Regional Service in Mandarin 1100 GMT 16 Jan 78 SK

[Text] Taiwan compatriots residing in Inner Mongolia held a forum 11-15 January. In the course of this event (Chang Kuan), delegate of Taiwan compatriots to the CPPCC on electing deputies of Taiwan Province to the Fifth National People's Congress, related the situation at the aforementioned conference and talked about the glorious atmosphere of how wise leader Chairman Hua and vice chairmen of the party Central Committee including Yeh Chien-ying, Li Hsien-nien, Wang Tung-Hsing and other leading comrades of the Political Bureau received Taiwan compatriots, and studied and discussed the important speech of Vice Chairman Yeh Chien-ying given at the seventh enlarged session of the Standing Committee of the Fourth National CPPCC Committee.

Taiwan compatriots present at the forum also studied and discussed the documents of the first session of the Fifth Inner Mongolia People's Congress and the first session of its fourth CPPCC committee, and chatted happily about the excellent situation in revolution and production in the entire country and in Inner Mongolia.

I. 23 Jan 78

K 4

PRC
NORTH REGION

With deep proletarian sentiment, all participants were grateful for the cordial concern of Chairman Hua and the party Central Committee and the party committee of Inner Mongolia. They warmly felt that Chairman Hua, like Chairman Mao and Premier Chou, always kept the Taiwan people in mind and showed concern for the liberation of Taiwan and the motherland's unification. They all pledged to work hard to contribute to complete success in the liberation of Taiwan, and the unification of China.

SHANSI PAPER COMMENDS COAL MINE'S ACHIEVEMENTS

HK230315Y Taiyuan Shansi Provincial Service in Mandarin 2300 GMT 21 Jan 78 HK

[Excerpts from SHANSI DAILY short commentary: "There Are Big Opportunities"--date not given]

[Summary] From 1965 to 1977, coal output of Shihkochieh mine of Luan Mining Bureau rose by an average of 31.6 percent annually and reached 800,000 tons last year. This is a fine achievement, which has been gained without increasing the number of workers, and even by reducing it. "Last year the rate of work efficiency per person working at the mine reached 2,104 tons. If all coal mines in the province could achieve this, they could reduce their work force by 90,000 or else increase output by 35 million tons, equal to the annual output of 36 large mines each producing 900,000 tons. This really is a shocking figure."

How could Shihkochieh mine succeed in producing more coal with less workers? First, they persist in putting political education to the fore and regularly carry out education in "it is glorious to economize manpower and disgraceful to waste it." They resolutely criticize capitalism and revisionism and persist in learning from Taching. Second, they rely on rational and practical rules and regulations and make every effort to economize manpower for improving management. They have also done a good job of technical revolution and innovation, saving manpower that way. The number of persons not engaged in production accounts for only 3.89 percent of the total staff and workers. We hope that other mines will emulate the good experiences of Shihkochieh.

I. 23 Jan 78

PEOPLE'S REPUBLIC OF CHINA
NORTHEAST REGION

L1

HEILUNGKIANG MEETING HAILS HUA'S METALLURGICAL INSCRIPTION

SK231025Y Harbin Heilungkiang Provincial Service in Mandarin 2200 GMT 19 Jan 78 SK

[Text] The Heilungkiang provincial party and revolutionary committees held a meeting at the Heilungkiang exhibition hall on 18 January to warmly hail the inscription by wise leader Chairman Hua on the metallurgical industry. The broad masses of staff and workers on the metallurgical front in our province, in a resolute response to Chairman Hua's great call, should improve the metallurgical industry in our province at high speed, with good quality and high standards.

At the meeting the inscription by wise leader Chairman Hua for the national metallurgical industry conference on learning from Taching was read: With the downfall of the gang of four, the situation on the metallurgical industry front is excellent. The broad masses of staff and workers, with high morale and great determination, have won initial success and come up with frequent reports of success. There is much hope for accelerated development of our country's metallurgical industry.

After that, the head of the Heilungkiang delegation to the national conference and deputy director of the Heilungkiang metallurgical bureau, Comrade (Hsin Kuang-chen), reported on the majestic atmosphere of the national conference. The director of the Heilungkiang Metallurgical Bureau, (To Yun-pien), then made a speech, and the secretary of the Poly iron and steel plant party committee, Comrade (Pai Fu-kung), expressed determination on behalf of all the delegates. Finally, Comrade (Chen Lei), vice chairman of the Heilungkiang Revolutionary Committee, addressed the meeting.

He stressed: "With total political enthusiasm and, in the shortest period time, it is imperative to convey the glorious inscription of Chairman Hua to every enterprise and unit of the metallurgical industry, as well as industrial fronts in the entire province, and make every one of the broad masses of staff, workers and their families on the Heilungkiang metallurgical front understand the basic ideas of the national metallurgical industry conference on learning from Taching; understand the urgency and importance of developing the metallurgical industry at high speed, and with good quality and high standards; understand the contents and demands of the immediate and far-reaching goals for the development of the metallurgical industry; understand the gaps between the level of our province and the advanced levels of state enterprises and between the level of our state and the advanced international level; and, above all, understand the urgency and importance of developing the iron and steel industry in our province.

It is necessary to further strengthen the sense of glory and responsibility of the broad masses of staff, workers and families for pushing forward the metallurgical industry as soon as possible, bring into full play the creativity and enthusiasm of the broad masses of staff, workers and families, set ourselves greater aspirations, struggle hard amid difficulties, bring about great and quick improvement, change the vulnerable situation regarding the iron and steel industry foundation in our province, and render new contributions to realizing the great goals advanced at the first session of the Fifth Heilungkiang People's Congress for establishing our province as a great base for marketable grain, setting up a fairly complete industrial system with emphasis on coal, timber, petrochemistry and mechanical and electronic equipment, and establishing a national economic system with fairly harmonious development of agriculture, light industry and heavy industry.

I. 23 Jan 78

L 2

PRC
NORTHEAST REGION

Comrade (Chen Lei) said, with complete confidence: Riding the strong wind of Chairman Hua's glorious inscription, we will certainly work energetically in order to fulfill the 1978 production plans of our province for pig iron, steel and iron ore, wrest good achievements in the first quarter and have 12 red-letter months.

LIAONING EVENT HELD TO PRESENT HUA INSCRIPTIONS

SK200925Y Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 16 Jan 78 SK

[Text] Liaoning's party and revolutionary committees held a rally on the afternoon of 16 January to ceremoniously present facsimiles of Chairman Hua's inscriptions for the power and electronics industries. His inscription for the power industry read as follows: "Rely on our own efforts, work energetically, turn to full account our country's energy resources in a manner appropriate to local conditions and accelerate the building of the power industry so as to contribute to the accomplishment of the four modernizations." Chairman Hua's inscription for the electronics industry is: "Carry forward the revolutionary spirit of self-reliance and hard struggle, accelerate development of the electronics industry and strive to scale the heights of electronic science and technology."

These facsimilies of Chairman Hua's inscriptions were contained in golden frames. Comrade Li Te-sheng, member of the Politburo of the party Central Committee and commander of Shenyang PLA units, Comrade Jen Chung-i, second secretary of the Liaoning Provincial CCP Committee and vice chairman of the provincial revolutionary committee, and Comrade Huang Ou-tung, third secretary of the Liaoning Provincial CCP Committee and vice chairman of the provincial revolutionary committee, presented, in person, these two inscriptions of Chairman Hua to all municipalities, prefectures and leagues.

Attending the presentation were Comrade Chen Fu-ju, secretary of the Liaoning Provincial CCP Committee and vice chairman of the provincial revolutionary committee, Comrade Su Yu, secretary of the Liaoning Provincial CCP Committee, Comrade Yang Ta-i, commander of Liaoning Military District, and Comrade Wei Feng-ying, Standing Committee member of the Liaoning Provincial CCP Committee.

Also attending this presentation were responsible comrades of the Northeast Power Bureau, the Liaoning Electronics Industry Bureau and other party committees, offices and bureaus of various municipalities, prefectures and leagues at the provincial level, and comrades participating in a planning work conference, totaling more than 500 people.

Comrade Jen Chung-i, second secretary of the Liaoning Provincial CCP Committee and vice chairman of the provincial revolutionary committee, gave a speech at the presentation rally. Comrades of the Northeast Power Bureau and the Liaoning Electronics Industry Bureau also expressed their resolve at the rally. All participants unanimously expressed the view that they would certainly implement the guidelines of wise leader Chairman Hua's inscription, rely on their own efforts and work hard in order to develop at high speed and with high quality the power and electronics industries of Liaoning Province and make contributions to realizing the four modernizations.

I. 23 Jan 78

PEOPLES REPUBLIC OF CHINA
NORTHWEST REGION

M 1

TAN CHI-LUNG ADDRESSES TSINGHAI CONFERENCE ON AGRICULTURE

OW222029Y Sining Tsinghai Provincial Service in Mandarin 1100 GMT 20 Jan 78 OW

[Summary] The second Tsinghai provincial conference on learning from Tachai in agriculture called by the Tsinghai provincial CCP and revolutionary committees opened ceremoniously in Sining on 19 January.

"Responsible comrades of the Tsinghai provincial CCP and revolutionary committees Tan Chi-lung, Yang Yen, Ti Tzu-tsai, Chi Chun-kuang, Ya-pu-lung, Li Hsing-wang, Chao Hai-feng, Hsu Lin-feng, Sung Lin, Ma Wan-li, Shen Ling and Tsai Feng-lan and alternate member of the CCP Central Committee Lu Tsun-chieh were present at the opening ceremony. Also attending the conference were responsible persons of all prefectoral, municipal and county party committees; secretaries of all commune party committees; secretaries of all brigade party branches; secretaries of all state farm, forestry farm and livestock farm party committees; responsible persons of the provincial, prefectoral and county planning commissions, agricultural and animal husbandry units and their scientific research units; responsible persons of units concerned under the provincial party and revolutionary committees and some plants, mines and other enterprises; and representatives of the educated youth settled in the countryside and the PLA--a total of more than 5,000 people."

Comrade Yang Yen presided at the opening ceremony and Comrade Ti Tzu-tsai delivered the opening speech. He outlined the major tasks to be fulfilled at the conference and called for deepening the exposure and criticism of the counterrevolutionary, revisionist and ultrarightist line of the gang of four and their commanders in Tsinghai and for wiping out their remnant pernicious influence.

"Then Comrade Tan Chi-lung, after warm applause, delivered a report entitled 'Mobilize All Party Members, Work Hard for 8 Years and Strive To Build Tachai-type Counties and Accelerate the Development of Agriculture and Animal Husbandry.'

"In his report, Comrade Tan Chi-lung elucidated the important significance of the movement to learn from Tachai in agriculture and build Tachai-type counties and the rapid development of agriculture and animal husbandry; thoroughly criticized the crimes of the gang of four and their commanders in Tsinghai in sabotaging the movement to learn from Tachai in agriculture and build Tachai-type counties; summed up the experience and lessons in carrying out the movement to learn from Tachai in agriculture in our province over the past 14 years, particularly since the agricultural conference of the northern areas; and set forth the fighting tasks to be fulfilled in the next 8 years.

"He pointed out: Agriculture is a matter of prime importance which affects the whole situation. If we fail to do well in laying the agricultural foundation, rapid development of the national economy, the four modernizations, improvement of the masses' material life and fulfillment of the growing needs of urban and rural areas will all be out of the question; the consolidation of a collective economy and our efforts to block the capitalist road will be badly affected; the worker-peasant alliance and dictatorship of the proletariat will not be consolidated; and we will be unable to effectively deal with the menacing aggression of social imperialism and imperialism. We must give first priority to development of agriculture and animal husbandry in economic construction; make national economic plans with priorities in the order of agriculture, light industry and heavy industry; continue to strengthen leadership over agriculture and animal husbandry; and develop agriculture and animal husbandry by mobilizing all party members and having party secretaries extend their personal help.

"Party committees at all levels must have the boldness of vision to run socialist agriculture well and go all out to advance agriculture and animal husbandry in our province with the same spirit they had for land reform and collectivization agriculture in the old days.

"In his report, Comrade Tan Chi-lung emphasized that it is necessary to conscientiously sum up experience and lessons and to continue working on the problem of truly learning from Tachai. He said: According to the experience of advanced and model units in learning from Tachai throughout the country and throughout our province, in order to truly learn from Tachai it is necessary to grasp and apply the fundamental experience of Tachai in a general way, resolutely implement Chairman Mao's revolutionary line and the directives of the party Central Committee headed by Chairman Hua, persist in the continuous revolution under the dictatorship of the proletariat, keep to the socialist orientation and continuously criticize revisionism and capitalism. It is necessary to block the capitalist road in all ways and by all channels. It is necessary to consolidate and build revolutionized leading groups whose cadres excel in achieving consciousness and a good work style, in participating in collective productive labor and in taking the lead to go all out for socialism. Those who talk about learning from Tachai but fear struggle, evade contradictions, fail to oppose the offensive of capitalist forces, do not engage in farmland capitalist construction or scientific farming, take no part in collective productive labor and do not work very hard show that they are making sham efforts to learn from Tachai.

"Comrade Tan Chi-lung pointed out: Learning from Tachai in agriculture and building Tachai-type counties depends upon the capabilities of leading groups. Therefore, in conducting education in the party's basic line it is important to do an even better job in party consolidation and rectification with the consolidation of leading groups as the key link. To this end, efforts should first be made to consolidate and build leading groups of party committees at provincial, prefectural and county levels with still better results.

"Under the guidance of the principle 'practice Marxism, and not revisionism; unite, and don't split; be open and aboveboard and don't intrigue and conspire,' specific measures must be taken to solve the existing problem of impurity in ideology, organization and work style among leading groups. Furthermore, it is necessary to implement the party's cadre policy of 'appointing people on merit' and do a still better job in building more capable leading groups with higher political consciousness and better work styles in accordance with Chairman Mao's five requirements for successors and the principle of the three-in-one combination of the old, middle-aged and young. Meanwhile, concentrated efforts should be made to select the top two leaders.

"Comrade Tan Chi-lung called on the leading personnel at all levels to conscientiously improve their work styles and adhere to the system of cadre participation in collective productive labor. He pointed out: The results of a cadre's participation in manual labor, whether good or bad, illustrate his attitude--whether he is willing or unwilling to learn from Tachai. Except for those who are old, weak, ill and disabled, the masses of cadres at the county, commune and brigade levels can and must fulfill the goal of doing physical labor for 100, 200 and 300 days a year respectively, so long as they make up their minds to do it. First of all, it is important for county-level party secretaries to persevere in doing physical labor for 100 days each year because their fulfillment of this goal will definitely encourage cadres at commune and brigade levels to do physical labor for 200 and 300 days a year respectively.

I. 23 Jan 78

M 3

PRC
NORTHWEST REGION

"We must follow the same footsteps of Hsiyang County in establishing a system for participation of cadres in physical labor. Leading organs must take the necessary steps to overcome the 'five excesses' [excessive assignments, meetings and training courses, documents, written reports and statistical forms, organizations and additional jobs], hold fewer meetings and reduce the length of each meeting so as to provide more time for cadres to participate in physical labor.

"Office cadres at provincial, prefectural and municipal levels must also take part in physical labor. Leading cadres must do physical labor for 40 days each year while other cadres must generally engage in it for 60 days annually. We must learn from the cadres of Tachai brigade and Hsiyang County, be activists in building socialism and take the initiative in learning from Tachai.

"Comrade Tan Chi-lung said: To develop agriculture and animal husbandry is a major task of the whole party. All trades and professions should readjust their own work on the basis of taking agriculture as the foundation so as to render still greater support to agriculture and animal husbandry. All departments must arouse the masses to launch large-scale debates to examine whether or not they have firmly fostered the idea of taking agriculture as the foundation and whether or not they have mapped out effective plans to (?support the development of agriculture and industry).

"He concluded his report by pointing out: Our new tasks are glorious but arduous. So long as we hold high Chairman Mao's great banner, closely follow the party Central Committee headed by Chairman Hua, resolutely implement the line adopted at the 11th party congress, strengthen party leadership, conscientiously implement the party policy on cadres, further consolidate unity among people of all nationalities, make fuller use of all positive factors in all fields of work, carry forward the revolutionary spirit, work harder and go all out and aim high, we will surely be able to fulfill the militant task of building Tachai-type counties, rapidly develop agriculture and animal husbandry and make greater contributions to achieving the four modernization."

SHENSI COMMUNE SUPPORTS WORK OF TEACHERS

HK170525Y Sian Shensi Provincial Service in Mandarin 0530 GMT 16 Jan 78 HK

[Summary] (Sunchen) commune in Pucheng County has adopted concrete measures to insure that all middle and primary school teachers in the commune have five-sixths of their time for professional work. The measures are as follows:

"1. Except summer and winter holidays and school holidays regulated by the state, schools are not allowed to give holidays or stop schooling.

"2. Communes and brigades are not allowed to use teachers for nonteaching work.

"3. Political work in schools must embody teaching work. Political activities must be simple and better. Generally speaking, classrooms are not to be used for this purpose.

"4. Regarding labor time for learning and supporting agriculture, we must carry out unified plans and arrangements in accordance with the spirit of the regulations concerned put forward by the higher authority. Students must not be arbitrarily used for labor."

At present, all middle and primary school teachers in the commune have at least 5 days a week to devote to their professional work.

I. 23 Jan 78

PEOPLE'S REPUBLIC OF CHINA
HONG KONG COMMUNIST PRESS

N 1

TA KUNG PAO ANALYZES CARTER'S STATE OF UNION MESSAGE

HK230105Y Hong Kong TA KUNG PAO in Chinese 20 Jan p 2 HK

["Political Talk" column by Shih Chun-yu: "Carter's State of the Union Message Stresses Economy"]

[Summary] Before delivering the State of the Union message, Carter said that the message would emphasize the economy: "Our main target is to get the energy bill passed."

He sought cooperation from the Americans in solving the difficult economic problems and proposed a \$25 billion tax reduction and an anti-inflation plan. His energy bill has been blocked by Congress ever since he took office.

"Carter's demand for conservation of energy and reduction of petroleum and natural gas imports is indeed related to the U.S. economy. However, conservation of energy and reduction of petroleum imports conflict with the interests of the petroleum consortium. Until a solution to this contradiction can be reached through bargaining, the energy bill will continue to encounter obstacles.

"However, various circles will still pay attention to Carter's State of the Union message to see what miraculous remedy he can propose for 1978. The U.S. economy in particular, since it affects many countries and areas, will naturally arouse interest inside and outside of the United States.

"Carter's administration in the past year has disappointed the Americans. We had nothing new to offer whether in politics, economics, or foreign policy. Newspaper critics in the United States have said that his words sound interesting but his actions are not decisive and what he says often changes from time to time. If a president cannot do what he says, public criticism is inevitable."

Carter obviously hopes that the energy plan will solve the U.S. economic problems both at home and abroad. He has clearly said that the U.S. economic problems were due mainly to the import of a large quantity of crude oil. "In fact, the large quantity of crude oil that the United States imports every year is not being consumed by industry and the people at home, but is used for the U.S. strategic reserve. The Carter administration recently announced that the U.S. target for strategic reserves of crude oil was 1 billion barrels. Just think how much more crude oil has to be imported! The current 500 million barrel target has not yet been reached. This means that on the one hand the United States wants to reduce crude oil imports, but on the other hand it wants to use petroleum as a strategic reserve on a large scale. How many problems can Carter's energy plan solve this way?"

HSIN WAN PAO ON POSSIBLE SECOND PEKING VISIT BY VANCE

HK200830Y Hong Kong HSIN WAN PAO in Chinese 18 Jan 78 p 1 HK

[Unattributed "New Talk" column: "Report on Vance's Second Visit to Peking in March"]

[Summary] U.S. NEWS AND WORLD REPORT reported that U.S. Secretary of State Vance is to visit Peking again in the spring for talks on the normalization question. "In order to solve the problem of normalizing Sino-U.S. relations, President Carter needs the help of Congress. He will at least not be impeded by Congress in an effort to solve the problem."

A U.S. congressional delegation has returned home after visiting China. "Upon returning to the United States and after meeting with Carter, Cranston, leader of the delegation, urged the United States to normalize diplomatic relations with China as soon as possible according to the conditions laid down by Peking." Being the assistant U.S. Senate majority leader, Cranston is an influential senator.

"Edward Kennedy is another influential senator who also visited China recently. However, he returned to the United States slightly earlier than Cranston. He advocated even earlier the normalization of relations with China as soon as possible. He also advocated the acceptance of Peking's three conditions. However, he held that the United States must guarantee the future of Taiwan.

"Some Americans have talked over and over again about what kind of guarantee should replace the 'mutual defense treaty.' Peking will not give such a guarantee to the United States. Peking's internal affairs should not be intervened.

"However, Cranston has expressed his belief that Peking will not try to take Taiwan by force after the abrogation of the treaty. Whether China will do so or not is another matter. That China has the right to march its troops into its own territory is also another matter. And whether China will do so or not will depend on the development of the situation.

"The views of Cranston and young Kennedy show that the U.S. Congress's ice on the normalization of Sino-U.S. ties appears to have begun melting, if the diehard force of Congress can be called ice. Both Cranston and young Kennedy hold that the completion of the normalization cannot be realized this year. It takes time and effort.

"However, Chen I-tsung, member of the Standing Committee of the Chinese People's Congress (Westerners consider a delegate to the People's Congress a congressman), is now on a stopover in Tokyo on his way back to Peking to take part in the Fifth NPC after staying in the United States for more than a year. He is more optimistic and sees the possibility of establishing ties this year. He also said that in March, a senior official of the U.S. State Department will visit Peking for talks. This senior official must be Vance if we compare Chen's statement with the report of U.S. NEWS AND WORLD REPORT.

"Nevertheless, even if Vance visits Peking again, the things that should be expedited on the surface will not necessarily be developed very quickly."

PAPERS STRESS NEUTRALITY IN CAMBODIA-VIETNAM CONFLICT

HSIN WAN PAO 20 Jan Column

HK230555Y Hong Kong HSIN WAN PAO in Chinese 20 Jan 78 p 2 HK

["Evening Talk" column by Yang Chu: "Premier Chou, Cambodia, Five Principles"]

[Summary] "Nuon Chea, deputy secretary of the Central Committee of the Communist Party of Cambodia and chairman of the Standing Committee of the People's Congress, respects the late Premier Chou En-lai. Like the Chinese people, he always refers to Premier Chou as 'respected and beloved Premier Chou!'"

Chairman Nuon Chea said his country wanted to invite Premier Chou for a visit to newborn Cambodia after it was liberated in April 1975. Unfortunately, Premier Chou was unable to accept the invitation. Thus, the visit of Vice Chairman Teng Ying-chao, Premier Chou's wife, is particularly significant.

I. 23 Jan 78

N 3

PRC
HONG KONG COMMUNIST PRESS

"Chairman Nuon Chea talked about Premier Chou's concern and support for the Cambodian people's liberation cause. 'Even when he was sick and was in the hospital, Premier Chou still showed concern for the Cambodian people's struggle. He had always tried his best to guide the work in support of the Cambodian people.'

"What Nuon Chea said shows that respected and beloved Premier Chou is a great proletarian internationalist and is a great proletarian revolutionary."

The Chinese people have followed Chairman Mao's teachings and modeled after Premier Chou. They consider supporting the righteous struggle of the peoples of the three Indochinese states as their international obligation.

"The five principles of mutual respect of sovereignty and territorial integrity, nonaggression, noninterference in one another's internal affairs, equality and mutual benefits and peaceful coexistence were proposed jointly by Premier Chou and some Asian politicians. They have won extensive support throughout the world.

"In Phnom Penh, Vice Chairman Teng Ying-chao stressed that Cambodia will win more brilliant victories in the building of its militarymen and people and in safeguarding the motherland. At the same time, she reiterated these fundamental principles which China should follow in handling state relations. This indicates China's stand concerning the pressing problems of the present situation."

WEN WEI PO 20 Jan Column

HK220800Y Hong Kong WEN WEI PO in Chinese 20 Jan 78 p 2 HK

[Unattributed "Current Affairs Analysis" column: "Teng Ying-chao Visits Cambodia"]

[Summary] "The armed conflicts between Cambodia and Vietnam brought about the severance of diplomatic relations between the two countries. Cambodia's Parrot's Beak salient is still occupied by Vietnamese troops. Both sides are hatching a peace talk, however, the peace talk has not yet materialized.

"Vice Chairman Teng Ying-chao has left for Cambodia, accompanied by Han Nien-lung, vice minister of foreign affairs and Shen Ping, director of the Asian Affairs Department."

In his talk with Japanese congressmen, Vice Premier Chi Teng-kuei said that the Cambodia and Vietnamese should stop fighting, the troops which crossed the border should withdraw and both sides should enter into negotiations. This is a just stand which manifests China's concern over brothers fighting among themselves and China's active mediation.

"Vice Chairman Teng's visit to Cambodia can be seen as the implementation of the stand mentioned above.

"The Chinese and Cambodian leaders had a very cordial meeting. The NCNA report on the meeting said: 'They had a very cordial and friendly conversation in a warm atmosphere of revolutionary friendship and military solidarity!'

"Western commentaries have guessed that the meeting of Chinese and Cambodian leaders will concentrate on problems concerning the conflicts between Cambodia and Vietnam. They quoted important words from Vice Chairman Teng Ying-chao's talks: China is Cambodia's friend, but is no one's enemy. These important words once again correctly and comprehensively express China's position on the conflicts between Cambodia and Vietnam: Friends need care, love and support and China will never side with one party to oppose the other party. China's attitude is: Solve both sides' disputes in accordance with the principle of peaceful coexistence as promoted by the Bandung Conference. This position and this attitude will pave a road of friendly relations and reconciliation for Cambodia and Vietnam."

SUBSCRIPTION INFORMATION

DAILY REPORT volumes are published Monday through Friday in both paper version (mailed daily) and microfiche version (mailed weekly). Annual subscription including occasional supplements is, for the first volume, \$125 paper/\$100 fiche; each additional area volume up to seven, \$70 paper/\$60 fiche; all eight volumes \$575 paper/\$300 fiche. Foreign subscription for the first volume \$160 paper/\$125 fiche; each additional area volume up to seven, \$70 paper/\$60 fiche; all eight volumes for \$610 paper/\$525 fiche. Each additional paper or fiche subscription beyond eight is \$50. The volumes are: I—People's Republic of China; II—Eastern Europe; III—Soviet Union; IV—Asia & Pacific; V—Middle East & North Africa; VI—Latin America; VII—Western Europe; VIII—Sub-Saharan Africa. Back issues or single copies are not available. Allow 30 days for processing new subscriptions. Mail remittances, inquiries, and address changes to the NTIS address below.

Note: The publications of the Joint Publications Research Service (JPRS), which are sometimes cited in the DAILY REPORT, can also be ordered from NTIS in single copies or by subscription. In ordering, please cite the JPRS title, number, date, and author if applicable.

Both the DAILY REPORT and the JPRS publications are on file for public reference at the Library of Congress and at public and university libraries throughout the United States.

NTIS

National Technical Information Service
U. S. DEPARTMENT OF COMMERCE
Springfield, Virginia 22151

90

END

3.15. 78